

CHAPTER 178.

COMPANIES (CONSOLIDATION).

[No. XVII of 1913.]

[30th August, 1913.]

PART I.

CONSTITUTION AND INCORPORATION.

Short title.

1. This Ordinance may be cited as the Companies (Consolidation) Ordinance.

Prohibition of Large Partnerships.

Prohibition of partnerships exceeding certain number.

2.—(1) No company, association, nor partnership, consisting of more than ten persons shall be formed for the purpose of carrying on the business of banking unless it is registered as a company under this Ordinance, or is formed in pursuance of Ordinance or letters patent.

(2) No company, association, nor partnership, consisting of more than twenty persons shall be formed for the purpose of carrying on any other business that has for its object the acquisition of gain by the company, association, or partnership, or by the individual members thereof, unless it is registered as a company under this Ordinance, or is formed in pursuance of some other Ordinance or of letters patent.

Memorandum of Association.

Mode of forming incorporated company.

3. Any seven or more persons (or, where the company to be formed will be a private company within the meaning of this Ordinance, any two or more persons) associated for a lawful purpose by subscribing their names to a memorandum of association and otherwise complying with the requirements of this Ordinance in respect of registration, may form an incorporated company, with or without limited liability, (that is to say) a company—

(a) either having the liability of its members limited by the memorandum to the amount, if any, unpaid on the shares respectively held by them

- (in this Ordinance termed a company limited by shares);
- (b) or having the liability of its members limited by the memorandum to the amount the members respectively thereby undertake to contribute to the assets of the company in the event of its being wound up (in this Ordinance termed a company limited by guarantee);
- (c) or not having any limit on the liability of its members (in this Ordinance termed an unlimited company).

4. In the case of a company limited by shares,—

(a) the memorandum must state—

- (i) the name of the company, with “ Limited ” as the last word in its name;
- (ii) the town or place within the colony in which the registered office of the company is proposed to be situate;
- (iii) the objects of the company;
- (iv) that the liability of the members is limited;
- (v) the amount of share capital with which the company proposes to be registered and the division thereof into shares of a fixed amount;
- (b) no subscriber of the memorandum may take less than one share;
- (c) each subscriber must write opposite to his name the number of shares he takes.

Memorandum
of company
limited by
shares.

5. In the case of a company limited by guarantee—

(a) the memorandum must state—

- (i) the name of the company, with “ Limited ” as the last word in its name;
- (ii) the town or place within the colony in which the registered office of the company is proposed to be situate;
- (iii) the objects of the company;
- (iv) that the liability of the members is limited;
- (v) that each member undertakes to contribute to the assets of the company in the event of its being wound up while he

Memorandum
of company
limited by
guarantee.

is a member, or within one year afterwards, for payment of the debts and liabilities of the company contracted before he ceases to be a member, and of the costs, charges, and expenses of winding up, and for adjustment of the rights of the contributories among themselves, such amount as may be required, not exceeding a specified amount;

(b) if the company has a share capital—

- (i) the memorandum must also state the amount of share capital with which the company proposes to be registered and the division thereof into shares of a fixed amount;
- (ii) no subscriber to the memorandum may take less than one share;
- (iii) each subscriber must write opposite his name the number of shares he takes.

Memorandum of unlimited company.

6. In the case of an unlimited company—

(a) the memorandum must state—

- (i) the name of the company;
- (ii) the town or place within the colony in which the registered office of the company is proposed to be situate;
- (iii) the objects of the company;

(b) if the company has a share capital—

- (i) no subscriber to the memorandum may take less than one share;
- (ii) each subscriber must write opposite his name the number of shares he takes.

Stamp and signature of memorandum.

7. The memorandum must bear the same stamp as if it were an agreement and be signed by each subscriber in the presence of two witnesses who must attest the signature.

Restriction on alteration of memorandum.

8. A company may not alter the conditions contained in its memorandum except in the cases and in the mode and to the extent for which express provision is made in this Ordinance.

Name of company and change of name.

9.—(1) A company may not be registered by a name identical with that by which a company in existence is already registered, or so nearly resembling that name as

to be calculated to deceive, except where the company in existence is in the course of being dissolved and signifies its consent in the manner required by the registrar.

(2) If a company, through inadvertence or otherwise, is without the consent aforesaid registered by a name identical with that by which a company in existence is previously registered, or so nearly resembling it as to be calculated to deceive, the first-mentioned company may with the sanction of the registrar change its name.

(3) Any company may, by special resolution and with the approval of the Governor in Council signified in writing, change its name.

(4) Where a company changes its name, the registrar shall enter the new name on the register in the place of the former name, and shall issue a certificate of incorporation altered to meet the circumstances of the case.

(5) The change of name shall not affect any rights or obligations of the company, or render defective any legal proceedings by or against the company, and any legal proceedings that might have been continued or commenced against it by its former name may be continued or commenced against it by its new name.

10.—(1) Subject to the provisions of this section a company may, by special resolution, alter the provisions of its memorandum with respect to the objects of the company, so far as may be required to enable it—

Alteration of
objects of
company :

- (a) to carry on its business more economically or more efficiently; or
- (b) to attain its main purpose by new or improved means; or
- (c) to enlarge or change the local area of its operations; or
- (d) to carry on some business which in existing circumstances may conveniently or advantageously be combined with the business of the company; or
- (e) to restrict or abandon any of the objects specified in the memorandum.

(2) The alteration shall not take effect until and except in so far as it is confirmed on petition by the court.

(3) Before confirming the alteration the court must be satisfied—

- (a) that sufficient notice has been given to every holder of debentures of the company, and to any

persons or class of persons whose interests will, in the opinion of the court, be affected by the alteration; and

- (b) that, with respect to every creditor who in the opinion of the court is entitled to object and who signifies his objection in manner directed by the court, either his consent to the alteration has been obtained, or his debt or claim has been discharged or has determined or has been secured to the satisfaction of the court :

Proviso.

Provided that the court may, in the case of any person or class for special reasons, dispense with the notice required by this section.

(4) The court may make an order confirming the alteration either wholly or in part, and on such terms and conditions as it thinks fit, and may make any order as to costs it thinks proper.

(5) The court shall, in exercising its discretion under this section, have regard to the rights and interests of the members of the company, or of any class of them, as well as to the rights and interests of the creditors, and may, if it thinks fit, adjourn the proceedings in order that an arrangement may be made to the satisfaction of the court for the purchase of the interests of dissentient members; and may give such directions and make such orders as it thinks expedient for facilitating or carrying into effect any such arrangement :

Proviso.

Provided that no part of the capital of the company may be expended in that purchase.

(6) An office copy of the order confirming the alteration, together with a printed copy of the memorandum as altered, shall, within fifteen days from the date of the order, be delivered by the company to the registrar, and he shall register them and certify the registration under his hand, and the certificate shall be conclusive evidence that all the requirements of this Ordinance with respect to the alteration and the confirmation thereof have been complied with, and thenceforth the memorandum so altered shall be the memorandum of the company.

(7) The court may by order at any time extend the time for the delivery of documents to the registrar under this section for any period the court thinks proper.

(8) If a company makes default in delivering to the registrar any document required by this section to be

delivered to him, the company shall be liable to a fine not exceeding forty-eight dollars for every day during which it is in default. Fine.

Articles of Association.

11.—(1) There may be in the case of a company limited by shares, and there shall be in the case of a company limited by guarantee or unlimited, registered with the memorandum articles of association signed by the subscribers to the memorandum and prescribing regulations for the company. Registration of articles.

(2) Articles of association may adopt all or any of the regulations contained in table A in the first schedule hereto. Table A ; first schedule.

(3) In the case of an unlimited company or a company limited by guarantee, the articles, if the company has a share capital, must state the amount of share capital with which the company proposes to be registered; if the company has not a share capital, the articles must state the number of members with which the company proposes to be registered, for the purpose of enabling the registrar to determine the fees payable on registration.

12. In the case of a company limited by shares and registered after the commencement of this Ordinance, if articles are not registered, or, if articles are registered, in so far as the articles do not exclude or modify the regulations in table A in the first schedule hereto, those regulations shall, so far as applicable, be the regulations of the company in the same manner and to the same extent as if they were contained in duly registered articles. Application of table A ; first schedule.

13. Articles must—

- (a) be printed;
- (b) be divided into paragraphs numbered consecutively;
- (c) bear the same stamp as if they were contained in an agreement; and
- (d) be signed by each subscriber of the memorandum of association in the presence of two witnesses who must attest the signature.

Form, stamp, and signature of articles.

14.—(1) Subject to the provisions of this Ordinance and to the conditions contained in its memorandum, a company may by special resolution alter or add to its articles; and Alteration of articles by special resolution.

any alteration or addition so made shall be as valid as if originally contained in the articles, and be subject in like manner to alteration by special resolution.

(2) The power of altering articles under this section shall, in the case of an unlimited company, extend to altering any regulations relating to the amount of capital or its distribution into shares, notwithstanding that those regulations are contained in the memorandum.

General Provisions.

Effect of memorandum and articles;

15.—(1) The memorandum and articles shall, when registered, bind the company and the members thereof to the same extent as if they respectively had been signed and sealed by each member, and contained covenants on the part of each member, his heirs, executors, and administrators, to observe all the provisions of the memorandum and of the articles, subject to the provisions of this Ordinance.

(2) All money payable by any member to the company under the memorandum of articles shall be a debt due from him to the company.

registration.

(3) The memorandum and the articles (if any) shall be delivered to the registrar and he shall retain and register them.

Effect of registration.

16.—(1) On the registration of the memorandum of a company the registrar shall certify under his hand that the company is incorporated and, in the case of a limited company, that the company is limited.

(2) From the date of incorporation mentioned in the certificate of incorporation, the subscribers of the memorandum together with any other persons who from time to time become members of the company, shall be a body corporate by the name contained in the memorandum, capable forthwith of exercising all the functions of an incorporated company, and having perpetual succession and a common seal, with power to hold lands, but with such liability on the part of the members to contribute to the assets of the company in the event of its being wound up as is mentioned in this Ordinance.

Conclusiveness of certificate of incorporation.

17.—(1) A certificate of incorporation given by the registrar in respect of any association shall be conclusive evidence that all the requirements of this Ordinance in

respect of registration and of matters precedent and incidental thereto have been fulfilled, and that the association is a company authorised to be registered and duly registered under this Ordinance.

(2) A statutory declaration by a solicitor of the Supreme Court engaged in the formation of the company, or by a person named in the articles as a director or secretary of the company, of compliance with all or any of the said requirements shall be produced to the registrar, and the registrar may accept that declaration as sufficient evidence of compliance.

18.—(1) Every company shall send to every member at his request and on payment of forty-eight cents, or any less sum prescribed by the company, a copy of the memorandum and of the articles (if any).

Copies of memorandum and articles to be given to members.

(2) If a company makes default in complying with the requirements of this section, it shall be liable for each offence to a fine not exceeding five dollars.

Penalty for default.

Associations not for Profit.

19. A company formed for the purpose of promoting art, science, religion, charity, or any other similar object, not involving the acquisition of gain by the company or by its individual members, shall not, without the licence of the Governor in Council, hold more than two acres of land; but the Governor in Council may by licence empower the company to hold lands in such quantity, and subject to such conditions, as the Governor in Council thinks fit.

Restriction on charitable and other companies holding land.

20.—(1) Where it is proved to the satisfaction of the Governor in Council that an association about to be formed as a limited company is to be formed for promoting commerce, art, science, religion, charity, or any other useful object, and intends to apply its profits (if any) or other income in promoting its objects and to prohibit the payment of any dividend to its members, the Governor in Council may by licence under the hand of the Colonial Secretary direct that the association be registered as a company with limited liability, without the addition of the word "Limited" to its name, and the association may be registered accordingly.

Power to dispense with "Limited" in name of charitable and other companies

(2) A licence by the Governor in Council under this section may be granted on the conditions and subject to the regulations the Governor in Council thinks fit, and those conditions and regulations shall be binding on the association, and shall, if the Governor in Council so directs, be inserted in the memorandum and articles or in one of those documents.

(3) The association shall on registration enjoy all the privileges of limited companies, and be subject to all their obligations, except those of using the word " Limited " as any part of its name, of publishing its name, and of sending lists of members and directors and managers to the registrar.

(4) A licence under this section may at any time be revoked by the Governor in Council, and upon revocation the registrar shall enter the word " Limited " at the end of the name of the association upon the register, and the association shall cease to enjoy the exemptions and privileges granted by this section :

Proviso.

Provided that before a licence is so revoked the Governor in Council shall give to the association notice in writing of his intention to do so and give the association an opportunity of being heard in opposition to the revocation.

Companies Limited by Guarantee.

Provision as to companies limited by guarantee.

21.—(1) In the case of a company limited by guarantee and not having a share capital, and registered on or after the tenth day of December, eighteen hundred and ninety-eight, every provision in the memorandum or articles or in any resolution of the company purporting to give any person a right to participate in the divisible profits of the company otherwise than as a member shall be void.

(2) For the purposes of the provisions of this Ordinance relating to the memorandum of a company limited by guarantee and of this section, every provision in the memorandum or articles, or in any resolution, of any company limited by guarantee and registered on or after the tenth day of December, eighteen hundred and ninety-eight, purporting to divide the undertaking of the company into shares or interests shall be treated as a provision for a share capital, notwithstanding that the nominal amount or number of the shares or interests is not specified thereby.

PART II.

DISTRIBUTION AND REDUCTION OF SHARE CAPITAL,
REGISTRATION OF UNLIMITED COMPANY AS LIMITED, AND
UNLIMITED LIABILITY OF DIRECTORS.*Distribution of Share Capital.*

22.—(1) The shares or other interest of any member in a company shall be movable property, transferable in manner provided by the articles of the company, and shall not be of the nature of immovable property. Nature of shares.

(2) Each share in a company having a share capital shall be distinguished by its appropriate number.

23. A certificate, under the common seal of the company, specifying any shares or stock held by any member, shall be primâ facie evidence of the title of the member to the shares or stock. Certificate of shares or stock.

24.—(1) The subscribers of the memorandum of a company shall be deemed to have agreed to become members of the company, and on its registration shall be entered as members in its register of members. Definition of member.

(2) Every other person who agrees to become a member of a company and whose name is entered in its register of members shall be a member of the company.

25.—(1) Every company shall keep in one or more books a register of its members, and enter therein the following particulars:— Register of members.

(a) the names and addresses, and the occupations, if any, of the members, and, in the case of a company having a share capital, a statement of the shares held by each member, distinguishing each share by its number, and of the amount paid or agreed to be considered as paid on the shares of each member;

(b) the date at which each person was entered in the register as a member;

(c) the date at which any person ceased to be a member.

(2) If a company fails to comply with this section it shall be liable to a fine not exceeding twenty-four dollars for every day during which the default continues; and Penalty for want of particulars.

every director and manager of the company who knowingly and wilfully authorises or permits the default shall be liable to the like penalty.

Annual list
of members
and summary.

26.—(1) Every company having a share capital shall once at least in every year make a list of all persons who, on the fourteenth day after the first or only ordinary general meeting in the year, are members of the company, and of all persons who have ceased to be members since the date of the last return or (in the case of the first return) of the incorporation of the company.

(2) The list must state the names, addresses, and occupations of all the past and present members therein mentioned, and the number of shares held by each of the existing members at the date of the return, specifying shares transferred since the date of the last return or (in the case of the first return) of the incorporation of the company by persons who are still members and have ceased to be members respectively and the dates of registration of the transfers, and must contain a summary, distinguishing between shares issued for cash and shares issued as fully or partly paid up otherwise than in cash, and specifying the following particulars:—

- (a) the amount of the share capital of the company, and the number of the shares into which it is divided;
- (b) the number of shares taken from the commencement of the company up to the date of the return;
- (c) the amount called up on each share;
- (d) the total amount of calls received;
- (e) the total amount of calls unpaid;
- (f) the total amount of the sums (if any) paid by way of commission in respect of any shares or debentures, or allowed by way of discount in respect of any debentures, since the date of the last return;
- (g) the total number of shares forfeited;
- (h) the total amount of shares or stock for which share warrants are outstanding at the date of the return;
- (i) the total amount of share warrants issued and surrendered respectively since the date of the last return;
- (j) the number of shares or amount of stock comprised in each share warrant;

- (k) the names and addresses of the persons who at the date of the return are the directors of the company or occupy the position of directors, by whatever name called; and
- (l) the total amount of debt due from the company in respect of all mortgages and charges which are required to be registered with the registrar under this Ordinance.

(3) The summary must also (except where the company is a private company) include a statement, made up to a date specified in the statement not more than three months before the date of the first or only ordinary general meeting, in the form of a balance sheet, audited by the company's auditors, and containing a summary of its share capital, its liabilities, and its assets, giving the particulars that will disclose the general nature of those liabilities and assets, and how the values of the fixed assets have been arrived at, but the balance sheet need not include a statement of profit and loss.

(4) The above list and summary must be contained in a separate part of the register of members, and must be completed within seven days after the fourteenth day aforesaid, and the company must forthwith forward to the registrar a copy signed by the manager or by the secretary of the Company.

(5) If a company makes default in complying with the requirements of this section it shall be liable to a fine not exceeding twenty-four dollars for every day during which the default continues, and every director and manager of the company who knowingly and wilfully authorises or permits the default shall be liable to the like penalty.

Penalty.

27. No notice of any trust, expressed, implied, or constructive, shall be entered on the register or be receivable by the registrar.

Trusts not to be entered on register.

28. On the application of the transferor or of the transferee of any share or interest in a company and subject to anything contained in the articles, the company shall enter in its register of members the name of the transferee in the manner prescribed by this Ordinance and the entry shall be made within seven days from the date of the application subject to the same penalties as in section twenty-five hereof.

Registration of transfer at request of transferor.

Transfer by
personal
representa-
tive.

29. A transfer of the share or other interest of a deceased member of a company made by his heir or executor shall, although the heir or executor is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.

Inspection of
register of
members.

30.—(1) The register of members, commencing from the date of the registration of the company, shall be kept at the registered office of the company, and, except when closed under the provisions of this Ordinance, shall during business hours (subject to any reasonable restrictions imposed by the company in general meeting, so that not less than two hours in each day be allowed for inspection) be open to the inspection of any member gratis, and to the inspection of any other person on payment of twenty-four cents, or any less sum the company prescribes for each inspection.

(2) Any member or other person may require a copy of the register or any part thereof, or of the list and summary required by this Ordinance or any part thereof, on payment of twenty-four cents or any less sum the company prescribes, for every hundred words or fractional part thereof required to be copied.

Penalty for
refusing copy.

(3) If any inspection or copy required under this section is refused, the company shall be liable for each refusal to a fine not exceeding ten dollars and to a further fine not exceeding ten dollars for every day during which the refusal continues, and every director and manager of the company who knowingly authorises or permits the refusal shall be liable to the like penalty; and any judge of the Supreme Court may by order compel an immediate inspection of the register.

Power to
close
register.

31. A company, on giving notice by advertisement in some newspaper circulating in the district in which the registered office of the company is situate, may close the register of members for any time or times not exceeding on the whole thirty days in each year.

Power of
court to
rectify
register.

32.—(1) If—

(a) the name of any person is, without sufficient cause, entered in or omitted from the register of members of a company; or

(b) default is made or unnecessary delay takes place in entering on the register the fact of any person having ceased to be a member, the person aggrieved, or any member of the company, or the company, may apply to the court for rectification of the register.

(2) The application may be made by motion in the Supreme Court, or before any judge thereof in chambers, and the Court or judge may either refuse the application or order rectification of the register and payment by the company of any damages sustained by a party aggrieved.

(3) On an application under this section the Court or judge may decide any question relating to the title of any person who is a party to the application to have his name entered in or omitted from the register, whether the question arises between members or alleged members, or between members or alleged members on the one hand and the company on the other hand; and generally may decide any question necessary or expedient to be decided for rectification of the register.

(4) In the case of a company required by this Ordinance to send a list of its members to the registrar, the Court or judge when making an order for rectification of the register shall by the same order direct notice of the rectification to be given to the registrar.

33. The register of members shall be *primâ facie* evidence of any matters by this Ordinance directed or authorised to be inserted therein.

Register to be evidence.

Branch Registers.

34.—(1) Any company having a capital divided into shares and whose object comprises the transaction of business in the United Kingdom or in any British colony may, if authorised to do so by its regulations as originally framed or as altered by special resolution, cause to be kept in that part of the United Kingdom, or in the colony in which it transacts business, a branch register or registers of members resident in the United Kingdom or in that colony.

Branch registers

(2) The company shall give to the registrar notice of the situation of the office where a branch register (in this section so described) is kept, and of any change therein, and of the discontinuance of the office in the event of its being discontinued.

(3) A branch register shall, as regards the particulars entered therein, be deemed to be a part of the company's register of members, and shall be *primâ facie* evidence of all particulars entered therein. It shall be kept in the manner provided by this Ordinance, with these qualifications, that the advertisement mentioned in section thirty-one of this Ordinance shall be inserted in some newspaper circulating in the district wherein the register to be closed is kept.

(4) The company shall transmit to its registered office a copy of every entry in its branch register or registers as soon as may be after the entry is made, and the company shall cause to be kept at its registered office, duly entered up from time to time, a duplicate or duplicates of its branch register or registers. The provisions of section thirty of this Ordinance shall apply to every duplicate, and every duplicate shall, for the purposes of this Ordinance, be deemed to be part of the register of members of the company.

(5) Subject to the provisions of this Ordinance with respect to the duplicate register, the shares or stock registered in a branch register shall be distinguished from the shares or stock registered in the principal register, and no transactions with respect to any shares or stock registered in a branch register shall, during the continuance of the registration of those shares or that stock in the branch register, be registered in any other register.

(6) The company may at any time discontinue to keep any branch register, and thereupon all entries in that register shall be transferred to some other branch register kept by the company in the United Kingdom or colony, or to the register of members kept at the registered office of the company.

(7) Subject to the provisions of this section, any company may, by its regulations as originally framed or as altered by special resolution, make such provisions as it thinks fit respecting the keeping of branch registers.

Share Warrants.

35.—(1) A company limited by shares, if so authorised by its articles, may, with respect to any fully paid-up shares or stock, issue under its common seal a warrant stating that the bearer of the warrant is entitled to the shares or stock therein specified, and may provide, by

Issue and
effect of
share
warrants to
bearer.

coupons or otherwise, for the payment of the future dividends on the shares or stock included in the warrant, in this Ordinance termed a share warrant.

(2) A share warrant shall entitle the bearer thereof to the shares or stock therein specified, and the shares or stock may be transferred by delivery of the warrant.

(3) The bearer of a share warrant shall, subject to the articles of the company, be entitled on surrendering it for cancellation to have his name entered as a member in the register of members; and the company shall be responsible for any loss incurred by any person by reason of the company entering in its register the name of a bearer of a share warrant in respect of the shares or stock therein specified without the warrant being surrendered and cancelled.

(4) The bearer of a share warrant may, if the articles of the company so provide, be deemed to be a member of the company within the meaning of this Ordinance, either to the full extent or for any purposes defined in the articles; except that he shall not be qualified in respect of the shares or stock specified in the warrant for being a director or manager of the company in cases where that qualification is required by the articles.

(5) On the issue of a share warrant the company shall strike out of its register of members the name of the member then entered therein as holding the shares or stock specified in the warrant as if he had ceased to be a member, and shall enter in the register the following particulars, namely:—

- (a) the fact of the issue of the warrant;
- (b) a statement of the shares or stock included in the warrant, distinguishing each share by its number; and
- (c) the date of the issue of the warrant.

(6) Until the warrant is surrendered, the above particulars shall be deemed to be the particulars required by this Ordinance to be entered in the register of members; and, on the surrender, the date of the surrender must be entered as if it were the date at which a person ceased to be a member.

36.—(1) Anyone who,—

- (a) with intent to defraud, forges or alters, or offers, utters, disposes of, or puts off, knowing it to be forged or altered, any share warrant or coupon,

Forgery,
personation,
unlawfully
engraving
material.

or any document purporting to be a share warrant or coupon, issued in pursuance of this Ordinance; or by means of any forged or altered share warrant, coupon, or document, purporting as aforesaid, demands or endeavours to obtain or receive any share or interest in any company under this Act, or to receive any dividend or money payable in respect thereof, knowing the warrant, coupon, or document to be forged or altered; or

- (b) falsely and deceitfully personates any owner of any share or interest in any company, or of any share warrant or coupon, issued in pursuance of this Ordinance and thereby obtains or endeavours to obtain any share or interest or share warrant or coupon, or receives or endeavours to receive any money due to the owner, as if the offender were the true and lawful owner,

Felony.

shall be guilty of felony and on conviction thereof shall be liable at the discretion of the Court to be kept in penal servitude for life or for any term not less than three years.

(2) Anyone who without lawful authority or excuse, proof whereof shall lie on him, engraves or makes on any plate, wood, stone, or other material, any share warrant or coupon purporting to be a share warrant or coupon issued or made by any particular company in pursuance of this Ordinance, or to be a blank share warrant or coupon, so issued or made, or to be a part of the share warrant or coupon, or uses the plate, wood, stone or other material for the making or printing of any share warrant or coupon, or of any blank share warrant or coupon, or any part thereof respectively, or knowingly has in his custody or possession any such plate, wood, stone or other material, shall be guilty of felony, and being convicted thereof shall be liable, at the discretion of the court, to be kept in penal servitude for any term not exceeding fourteen years and not less than three years.

Felony.

Power of company to arrange for different amounts being paid on shares.

37. A company, if so authorised by its articles, may do any one or more of the following things; namely,—

- (a) make arrangements for the issue of shares for a difference between the shareholders in the amounts and times of payment of calls on their shares;

- (b) accept from any member who assents thereto the whole or a part of the amount remaining unpaid on any shares held by him, although no part of that amount has been called up;
- (c) pay dividend in proportion to the amount paid up on each share where a larger amount is paid up on some shares than on others.

38.—(1) When a company has accumulated a sum of undivided profits, which with the sanction of the shareholders may be distributed among the shareholders in the form of a dividend or bonus, it may, by special resolution, return the sum, or any part thereof, to the shareholders in reduction of the paid-up capital of the company, the unpaid capital being thereby increased by a similar amount.

Power to return accumulated profits in reduction to paid-up share capital.

(2) The resolution shall not take effect until a memorandum, showing the particulars required by this Ordinance in the case of a reduction of share capital, has been produced to and registered by the registrar, but the other provisions of this Ordinance with respect to reduction of share capital shall not apply to a reduction of paid-up share capital under this section.

(3) On a reduction of paid-up capital in pursuance of this section, any shareholder, or any one or more of several joint shareholders, may within one month after the passing of the resolution for the reduction, require the company to retain, and the company shall retain accordingly, the whole of the money actually paid on the shares held by him either alone or jointly with any other person, which, in consequence of the reduction, would otherwise be returned to him or them, and thereupon those shares shall, as regards the payment of dividend, be deemed to be paid up to the same extent only as the shares on which payment has been accepted by the shareholders in reduction of paid-up capital, and the company shall invest and keep invested the money so retained in such securities authorised for investment by trustees as the company determines, and on the money so invested, or on so much thereof as from time to time exceeds the amount of calls subsequently made on the shares in respect of which it has been retained, the company shall pay the interest received from time to time on the securities.

(4) The amount retained and invested shall be held to represent the future calls which may be made to replace the share capital so reduced on those shares, whether the

amount obtained on sale of the whole, or that proportion thereof which represents the amount of any call when made, produces more or less than the amount of the call.

(5) On a reduction of paid-up share capital in pursuance of this section, the powers vested in the directors of making calls on shareholders in respect of the amount unpaid on their shares shall extend to the amount of the unpaid share capital as augmented by the reduction.

(6) After any reduction of share capital under this section the company shall specify in the annual list of members required by this Ordinance the amounts retained at the request of any of the shareholders in pursuance of this section, and shall specify in the statements of account laid before any general meeting of the company the amount of undivided profits returned in reduction of paid-up share capital under this section.

Power of company limited by shares to alter its share capital.

39.—(1) A company limited by shares, if so authorised by its articles, may alter the conditions of its memorandum as follows (that is to say), it may—

- (a) increase its share capital by the issue of new shares of such amount as it thinks expedient;
- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) convert all or any of its paid-up shares into stock and re-convert that stock into paid-up shares of any denomination;
- (d) subdivide its shares, or any of them, into shares of smaller amount than is fixed by the memorandum, so, however, that in the subdivision the portion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
- (e) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.

(2) The powers conferred by this section with respect to subdivision of shares must be exercised by special resolution.

(3) Where any alteration has been made under this section in the memorandum of a company, every copy of the memorandum issued after the date of the alteration

shall be in accordance with the alteration, and if a company makes default in complying with this provision it shall be liable to a fine not exceeding five dollars for each copy in respect of which default is made; and every director and manager of the company who knowingly and wilfully authorises or permits the default shall be liable to the like penalty.

(4) A cancellation of shares in pursuance of this section shall not be deemed to be a reduction of share capital within the meaning of this Ordinance.

40. Where a company having a share capital has consolidated and divided its share capital into shares of larger amount than its existing shares, or converted any of its shares into stock, or reconverted stock into shares, it shall give notice to the registrar of the consolidation, division, conversion, or reconversion, specifying the shares consolidated, divided, or converted, or the stock reconverted.

Notice to registrar of consolidation of share capital, conversion of shares into stock, or vice versa.

41. Where a company having a share capital has converted any of its shares into stock and given notice of the conversion to the registrar, all the provisions of this Ordinance which are applicable to shares only shall cease as to so much of the share capital as is converted into stock; and the register of members of the company and the list of members to be transmitted to the registrar shall show the amount of stock held by each member instead of the amount of shares and the particulars relating to shares hereinbefore required by this Ordinance.

Effect of conversion of shares into stock.

42.—(1) Where a company having a share capital, whether its shares have or have not been converted into stock, has increased its share capital beyond the registered capital, and where a company not having a share capital has increased the number of its members beyond the registered number, it shall give to the registrar of companies, in the case of an increase of share capital within fifteen days after the passing, or in the case of a special resolution the confirmation, of the resolution authorising the increase, and in the case of an increase of members within fifteen days after the increase was resolved on or took place, notice of the increase of capital or members, and the registrar shall record the increase.

Notice of increase of share capital or of members.

(2) If a company makes default in complying with the requirements of this section it shall be liable to a fine not exceeding twenty-four dollars for every day during

Penalty for default.

which the default continues, and every director and manager of the company who knowingly and wilfully authorises or permits the default shall be liable to the like penalty.

Reorganisa-
tion of share
capital :

43.—(1) A company limited by shares may, by special resolution confirmed by an order of the Court, modify the conditions contained in its memorandum so as to re-organise its share capital, whether by the consolidation of shares of different classes or by the division of its shares into shares of different classes :

Proviso.

Provided that no preference or special privilege attached to or belonging to any class of shares shall be interfered with except by a resolution passed by a majority in number of shareholders of that class who hold three-fourths of the share capital of that class, confirmed at a meeting of shareholders of that class in the same manner as a special resolution of the company is required to be confirmed, and every resolution so passed shall bind all shareholders of the class.

(2) Where an order is made under this section an office copy thereof shall be filed with the registrar within seven days after it is made, or within such further time as the Court allows, and the resolution shall not take effect until that copy has been so filed.

Reduction of Share Capital of Company limited by shares.

Special
resolution for
reduction of
share capital.

44.—(1) Subject to confirmation by the Court, a company limited by shares, if so authorised by its articles, may by special resolution reduce its share capital in any way, and in particular (without prejudice to the generality of the foregoing power) may—

- (a) extinguish or reduce the liability on any of its shares in respect of share capital not paid up; or,
- (b) either with or without extinguishing or reducing liability on any of its shares, cancel any paid-up share capital which is lost or unrepresented by available assets; or
- (c) either with or without extinguishing or reducing liability on any of its shares, pay off any paid-up share capital which is in excess of the wants of the company,

and may, if and so far as is necessary, alter its memorandum by reducing the amount of its share capital and of its shares accordingly.

(2) A special resolution under this section is in this Ordinance called a resolution for reducing share capital.

45. Where a company has passed and confirmed a resolution reducing share capital it may apply by petition to the Court for an order confirming the reduction.

Application to Court for confirming order.

46. On and from the confirmation by a company of a resolution for reducing share capital, or where the reduction does not involve either the diminution of any liability in respect of unpaid share capital or the payment to any shareholder of any paid-up share capital then on and from the presentation of the petition for confirming the reduction, the company shall add to its name until a date fixed by the Court the words "and reduced," as the last words in its name, and those words shall, until that date, be deemed to be part of the name of the company :

Addition of words "and reduced" to name of company :

Provided that, where the reduction does not involve either the diminution of any liability in respect of unpaid share capital or the payment to any shareholder of any paid-up share capital, the Court may, if it thinks expedient, dispense altogether with the addition of the words "and reduced."

Proviso.

47.—(1) Where the proposed reduction of share capital involves either diminution of liability in respect of unpaid share capital or the payment to any shareholder of any paid-up share capital, and in any other case if the Court so directs, every creditor of the company who at the date fixed by the Court is entitled to any debt or claim which, if that date were the commencement of the winding up of the company, would be admissible in proof against the company, shall be entitled to object to the reduction.

Objections by creditors, and settlement of list of objecting creditors.

(2) The Court shall settle a list of creditors so entitled to object, and for that purpose shall ascertain, as far as possible without requiring an application from any creditor, the names of those creditors and the nature and amount of their debts or claims, and may publish notices fixing a day or days within which creditors not entered on the list are to claim to be so entered or are to be excluded from the right of objecting to the reduction.

(3) Where a creditor entered on the list whose debt or claim is not discharged or determined does not consent to the reduction, the Court may, if it thinks fit, dispense with the consent of that creditor, on the company securing

payment of his debt or claim by appropriating, as the Court may direct, the following amount; (that is to say,)—

- (a) if the company admits the full amount of his debt or claim, or, though not admitting it, is willing to provide for it, then the full amount of the debt or claim;
- (b) if the company does not admit or is not willing to provide for the full amount of the debt or claim, or if the amount is contingent or not ascertained, then an amount fixed by the Court after the like inquiry and adjudication as if the company were being wound up by the Court.

Order
confirming
reduction.

48. The Court, if satisfied with respect to every creditor of the company who under this Ordinance is entitled to object to the reduction that either his consent to the reduction has been obtained or his debt or claim has been discharged or has determined, or has been secured, may make an order confirming the reduction on any terms and conditions it thinks fit.

Registration
of order and
minute of
reduction.

49.—(1) The registrar, on production to him of an order of the Court confirming the reduction of the share capital of a company and the delivery to him of a copy of the order and of a minute (approved by the Court) showing, with respect to the share capital of the company as altered by the order, the amount of the share capital, the number of shares into which it is to be divided, and the amount of each share, and the amount (if any) at the date of the registration deemed to be paid up on each share, shall register the order and minute.

(2) On the registration, and not before, the resolution for reducing share capital as confirmed by the order so registered shall take effect.

(3) Notice of the registration shall be published in the manner directed by the Court.

(4) The registrar shall certify under his hand the registration of the order and minute, and his certificate shall be conclusive evidence that all the requirements of this Ordinance with respect to reduction of share capital have been fulfilled, and that the share capital of the company is that stated in the minute.

Minute to
form part of
memoran-
dum.

50.—(1) The minute when registered shall be deemed to be substituted for the corresponding part of the memorandum of the company, and shall be valid and alterable

as if it had been originally contained therein, and must be embodied in every copy of the memorandum issued after its registration.

(2) If a company makes default in complying with the requirements of this section it shall be liable to a fine not exceeding five dollars for each copy in respect of which default is made, and every director and manager of the company who knowingly and wilfully authorises or permits the default shall be liable to the like penalty.

Penalty.

51 —(1) A member of the company, past or present, shall not be liable in respect of any share to any call or contribution exceeding in amount the difference (if any) between the amount paid, or (as the case may be) the reduced amount, if any, which is to be deemed to have been paid, on the share and the amount of the share as fixed by the minute :

Liability of members in respect of reduced shares :

Provided that if any creditor, entitled in respect of any debt or claim to object to the reduction of share capital, is, by reason of his ignorance of the proceedings for reduction or of their nature and effect with respect to his claim, not entered on the list of creditors, and, after the reduction, the company is unable, within the meaning of the provisions of this Ordinance with respect to winding up by the Court, to pay the amount of his debt or claim, then—

Proviso.

(a) everyone who was a member of the company at the date of the registration of the order for reduction and minute shall be liable to contribute for the payment of that debt or claim an amount not exceeding the amount which he would have been liable to contribute if the company had commenced to be wound up on the day before the registration; and

(b) If the company is wound up, the Court, on the application of the creditor, and proof of his ignorance as aforesaid may, if it thinks fit, settle accordingly a list of persons so liable to contribute, and make and enforce calls and orders on the contributories settled on the list as if they were ordinary contributories in a winding up.

(2) Nothing in this section shall affect the rights of the contributories among themselves.

52. Any director, manager, or officer of the company who wilfully conceals the name of any creditor entitled to object to the reduction, or wilfully misrepresents the nature

Concealment of name of creditor.

Miscellaneous.

or amount of the debt or claim of any creditor, and any director or manager of the company who aids or abets in or is privy to any concealment or misrepresentation aforesaid, shall be guilty of a misdemeanour.

Publication of reasons for reduction.

53. In any case of reduction of share capital, the court may require the company to publish, as the court directs, the reasons for reduction, or such other information in regard thereto as the court thinks expedient so as to give proper information to the public, and, if the court thinks fit, the causes which led to the reduction.

Alteration of Share Capital of Company Limited by Guarantee.

Increase and reduction of share capital

54. A company limited by guarantee may, if it has a share capital and is so authorised by its articles, increase or reduce its share capital in the same manner and subject to the same conditions in and subject to which a company limited by shares may increase or reduce its share capital under the provisions of this Ordinance.

Registration of Unlimited Company as Limited.

Registration of unlimited company as limited.

55.—(1) Subject to the provisions of this section, any company registered as unlimited may register under this Ordinance as limited, or any company already registered as a limited company, may re-register under this Ordinance, but the registration of an unlimited company as a limited company shall not affect any debts, liabilities, obligations, or contracts, incurred or entered into by, to, with, or on behalf of the company before the registration, and those debts, liabilities, obligations, and contracts may be enforced in manner provided by Part VII of this Ordinance in the case of a company registered in pursuance of that Part.

(2) On registration in pursuance of this section the registrar shall close the former registration of the company, and may dispense with the delivery to him of copies of any documents with copies of which he was furnished on the occasion of the original registration of the company, but, save as aforesaid, the registration shall take place in the same manner and shall have effect as if it were the first registration of the company under this Ordinance.

56. An unlimited company having a share capital may, by its resolution for registration as a limited company in pursuance of this Ordinance, do either or both of the following things, namely:—

Power of unlimited company to provide for reserve share capital on re-registration.

- (a) increase the nominal amount of its share capital by increasing the nominal amount of each of its shares, but subject to the condition that no part of the increased capital shall be capable of being called up except in the event and for the purposes of the company being wound up;
- (b) provide that a specified portion of its uncalled share capital shall not be capable of being called up except in the event and for the purposes of the company being wound up.

Reserve Liability of Limited Company.

57. A limited company may by special resolution determine that any portion of its share capital which has not been already called up shall not be capable of being called up, except in the event and for the purposes of the company being wound up, and thereupon that portion of its share capital shall not be capable of being called up except in the event and for the purposes aforesaid.

Reserve liability of limited company.

Unlimited Liability of Directors.

58.—(1) In a limited company the liability of the directors or managers, or of the managing director, may, if so provided by the memorandum, be unlimited.

Limited company may have directors with unlimited liability.

(2) In a limited company in which the liability of a director or manager is unlimited, the directors or managers of the company (if any) and the member who proposes a person for election or appointment to the office of director or manager, shall add to that proposal a statement that the liability of the person holding that office will be unlimited, and the promoters, directors, managers, and secretary (if any) of the company, or one of them, shall, before the person accepts the office or acts therein, give him notice in writing that his liability will be unlimited.

(3) If any director, manager, or proposer makes default in adding the statement, or if any promoter, director, manager, or secretary makes default in giving the notice, he shall be liable to a fine not exceeding four hundred and eighty dollars, and shall also be liable for any

Penalty.

damage which the person so elected or appointed may sustain from the default, but the liability of the person elected or appointed shall not be affected by the default.

Special resolution of limited company making liability of directors unlimited.

59.—(1) A limited company, if so authorised by its articles, may, by special resolution, alter its memorandum so as to render unlimited the liability of its directors, or managers, or of any managing director.

(2) Upon the confirmation of the special resolution the provisions thereof shall be as valid as if they had been originally contained in the memorandum; and a copy thereof shall be embodied in or annexed to every copy of the memorandum issued after the confirmation of the resolution.

Penalty.

(3) If a company makes default in complying with the requirements of this section, it shall be liable to a fine not exceeding five dollars for each copy in respect of which default is made; and every director or manager of the company who knowingly and wilfully authorises or permits the default shall be liable to the like penalty.

PART III.

MANAGEMENT AND ADMINISTRATION.

Office and Name.

Registered office of company and notice thereof.

60.—(1) Every company shall have a registered office to which all communications and notices may be addressed.

(2) Notice of the situation of the registered office and of any change therein shall be given to the registrar, who shall record the facts, and notice of any change shall be given to the registrar within one month of the change.

Penalty.

(3) If a company carries on business without complying with the requirements of this section it shall be liable to a fine not exceeding twenty-four dollars for every day during which it so carries on business.

Publication of name by a limited company.

61.—(1) Every limited company—

(a) shall paint or affix, and keep painted or affixed, its name on the outside of every office or place in which its business is carried on, in a conspicuous position, in letters easily legible;

(b) shall have its name engraven in legible characters on its seal;

(c) shall have its name mentioned in legible characters in all notices, advertisements, and other official publications of the company, and in all bills of exchange, promissory notes, indorsements, cheques, and orders for money or goods purporting to be signed by or on behalf of the company, and in all bills of parcels, invoices, receipts, and letters of credit of the company.

(2) If a limited company does not paint or affix and keep painted or affixed, its name in manner directed by this Ordinance, it shall be liable to a fine not exceeding twenty-four dollars for not so painting, or affixing its name, and for every day during which its name is not so kept painted or affixed, and every director and manager of the company who knowingly and wilfully authorises or permits the default shall be liable to the like penalty. Penalty.

(3) Any director, manager, or officer of a limited company, or anyone on its behalf, who—

(a) uses or authorises the use of any seal purporting to be a seal of the company whereon its name is not so engraven as aforesaid; or

(b) issues or authorises the issue of any notice, advertisement, or other official publication of the company, or signs or authorises to be signed on behalf of the company any bill of exchange, promissory note, indorsement, cheque, order for money or goods, or issues or authorises to be issued any bill of parcels, invoice, receipt, or letter of credit of the company, wherein its name is not mentioned in manner aforesaid, shall be liable to a fine not exceeding two hundred and forty dollars, and shall further be personally liable to the holder of the bill of exchange, promissory note, cheque, or order for money or goods, for the amount thereof, unless it is duly paid by the company.

Meetings and Proceedings.

62.—(1) A general meeting of every company shall be held once at the least in every calendar year, and not more than fifteen months after the holding of the last preceding general meeting, and if it is not so held, the company and every director, manager, secretary, and other officers of the company, who is knowingly a party to the default, shall be liable to a fine not exceeding two hundred and forty dollars. Annual
general
meeting.

Penalty for
failure to
hold.

(2) When default has been made in holding a meeting of the company in accordance with the provisions of this section, the court may, on the application of any member of the company, call or direct the calling of a general meeting of the company.

First
statutory
meeting of
company.

63.—(1) Every company limited by shares and registered on or after the tenth day of December, eighteen hundred and ninety-eight, shall, within a period not less than one month nor more than three months from the date at which the company is entitled to commence business, hold a general meeting of the members of the company, which shall be called the statutory meeting.

(2) The directors shall, at least seven days before the day on which the meeting is held, transmit a report (in this Ordinance called the statutory report) to every member of the company and to every other person entitled under this Ordinance to receive it.

(3) The statutory report shall be certified by not less than two directors of the company, or, where there are less than two directors, by the sole director and manager, and shall state—

- (a) the total number of shares allotted, distinguishing shares allotted as fully or partly paid up otherwise than in cash, and stating, in the case of shares partly paid up, the extent to which they are so paid up, and in either case the consideration for which they have been allotted;
- (b) the total amount of cash received by the company in respect of all the shares allotted, distinguished as aforesaid;
- (c) an abstract of the receipts of the company on account of its capital, whether from shares or debentures, and of all the payments made thereout, up to a date within seven days of the date of the report, exhibiting under distinctive headings the receipts of the company from shares and debentures and other sources, the payments made thereout, and particulars concerning the balance remaining in hand, and an account or estimate of the preliminary expenses of the company;
- (d) the names, addresses, and descriptions of the directors, auditors (if any), managers (if any), and secretary of the company; and

(e) the particulars of any contract the modification of which is to be submitted to the meeting for its approval, together with the particulars of the modification or proposed modification.

(4) The statutory report shall, so far as it relates to the shares allotted by the company and to the cash received in respect of those shares and to the receipts and payments of the company on capital account, be certified as correct by the auditors (if any), of the company.

(5) The directors shall cause a copy of the statutory report, certified as by this section required, to be filed with the registrar forthwith after the sending thereof to the members of the company.

(6) The directors shall cause a list showing the names, descriptions, and addresses of the members of the company and the number of shares held by them respectively, to be produced at the commencement of the meeting and to remain open and accessible to any member of the company during the continuance of the meeting.

(7) The members of the company present at the meeting shall be at liberty to discuss any matter relating to the formation of the company or arising out of the statutory report, whether previous notice has been given or not, but no resolution of which notice has not been given in accordance with the articles may be passed.

(8) The meeting may adjourn from time to time, and at any adjourned meeting any resolution of which notice has been given in accordance with the articles either before or subsequently to the former meeting may be passed, and the adjourned meeting shall have the same powers as an original meeting.

(9) If a petition is presented to the court in manner provided by Part IV of this Ordinance for winding up the company on the ground of default in filing the statutory report or in holding the statutory meeting, the court may, instead of directing that the company be wound up, give directions for the statutory report to be filed or a meeting to be held, or make any other order which is just.

(10) The provisions of this section as to transmitting and filing the statutory report shall not apply in the case of a private company.

64.—(1) Notwithstanding anything in the articles of a company, the directors of a company shall, on the requisition of the holders of not less than one tenth of the issued

Convening
extraordinary
general
meeting on
requisition.

share capital of the company upon which all calls or other sums then due have been paid, forthwith proceed to convene an extraordinary general meeting of the company.

(2) The requisition must state the objects of the meeting, and must be signed by the requisitionists and deposited at the registered office of the company, and may consist of several documents in like form, each signed by one or more requisitionists.

(3) If the directors do not proceed to cause a meeting to be held within twenty-one days from the date of the requisition being so deposited, the requisitionists, or a majority of them in value, may themselves convene the meeting, but any meeting so convened shall not be held after three months from the date of the deposit.

(4) If at any such meeting a resolution requiring confirmation at another meeting is passed, the directors shall forthwith convene a further extraordinary general meeting for the purpose of considering the resolution and, if it be thought fit, of confirming it as a special resolution; and if the directors do not convene the meeting within seven days from the date of the passing of the first resolution, the requisitionists, or a majority of them in value, may themselves convene the meeting.

(5) Any meeting convened under this section by the requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by directors.

Provisions as to meetings and votes;

65. In default of, and subject to, any regulations in the articles,—

- (a) a meeting of a company may be called by seven days' notice in writing, served on every member in manner in which notices are required to be served by Table A in the first schedule to this Ordinance;
- (b) five members may call a meeting;
- (c) anyone elected by the members present at a meeting may be chairman thereof;
- (d) every member shall have one vote.

Table A ; first schedule.

Representation of companies at meetings of other companies of which they are members.

66. A company which is a member of another company may by resolution of the directors authorise any of its officials or any other person to act as its representative at any meeting of that other company, and the person so

authorised shall be entitled to exercise the same powers on behalf of the company which he represents as if he were an individual shareholder of that other company.

67.—(1) A resolution shall be an extraordinary resolution when it has been passed by a majority of not less than three-fourths of those members entitled to vote who are present in person or by proxy (where proxies are allowed) at a general meeting of which notice specifying the intention to propose the resolution as an extraordinary resolution has been duly given.

Definitions
of extra-
ordinary and
special
resolution.

(2) A resolution shall be a special resolution when it has been—

- (a) passed in manner required for the passing of an extraordinary resolution; and
- (b) confirmed by a majority of those members entitled to vote who are present in person or by proxy (where proxies are allowed) at a subsequent general meeting, of which notice has been duly given, and held after an interval of not less than fourteen days nor more than one month from the date of the first meeting.

(3) At any meeting at which an extraordinary resolution is submitted to be passed or a special resolution is submitted to be passed or confirmed, a declaration of the chairman that the resolution is carried shall, unless a poll is demanded, be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

(4) At any meeting at which an extraordinary resolution is submitted to be passed or a special resolution is submitted to be passed or confirmed, a poll may be demanded, if demanded by three persons for the time being entitled according to the articles to vote, unless the articles of the company require a demand by a number of those persons, not in any case exceeding five, specified in the articles.

(5) When a poll is demanded in accordance with this section, in computing the majority on the poll reference shall be had to the number of votes to which each member is entitled by the articles of the company.

(6) For the purposes of this section notice of a meeting shall be deemed to be duly given and the meeting to be duly held when the notice is given and the meeting held in manner provided by the articles.

Registration
and copies of
special and
extra-
ordinary
resolutions.

68.—(1) A copy of every special and extraordinary resolution shall, within fifteen days from the confirmation of the special resolution, or from the passing of the extraordinary resolution, as the case may be, be printed and sent to the registrar, who shall record it.

(2) Where articles have been registered, a copy of every special resolution for the time being in force shall be embodied in or annexed to every copy of the articles issued after the confirmation of the resolution.

(3) Where articles have not been registered, a copy of every special resolution shall be sent in print to any member at his request, on payment of twenty-four cents or any less sum the company directs.

(4) If a company makes default in printing or sending a copy of a special or extraordinary resolution to the registrar it shall be liable to a fine not exceeding ten dollars for every day during which the default continues.

(5) If a company makes default in embodying in or annexing to a copy of its articles or in sending in print to a member when required by this section a copy of a special resolution, it shall be liable to a fine not exceeding five dollars for each copy in respect of which default is made.

(6) Every director and manager of a company who knowingly and wilfully authorises or permits any default by the company in complying with the requirements of this section shall be liable to the like penalty as is imposed by this section on the company for that default.

Minutes of
proceedings
of meetings
and directors.

69.—(1) Every company shall cause minutes of all proceedings of general meetings and (where there are directors or managers) of its directors or managers to be entered in books kept for that purpose.

(2) Any of the minutes if purporting to be signed by the chairman of the meeting at which the proceedings were had, or by the chairman of the next succeeding meeting, shall be evidence of the proceedings.

(3) Until the contrary is proved, every general meeting of the company or meeting of directors or managers in respect of the proceedings whereof minutes have been so made shall be deemed to have been duly held and convened, and all proceedings had thereat to have been duly had, and all appointments of directors, managers, or liquidators, shall be deemed to be valid.

Appointment, Qualification, and Register, of Directors.

70.—(1) A person shall not be capable of being appointed director of a company by the articles, and shall not be named as a director or proposed director of a company in any prospectus issued by or on behalf of the company, or in any statement in lieu of prospectus filed by or on behalf of a company, unless, before the registration of the articles or the publication of the prospectus, or the filing of the statement in lieu of prospectus, as the case may be, he has by himself or by his agent authorised in writing—

Obligations on appointment or nomination of director.

- (a) signed and filed with the registrar a consent in writing to act as director; and
- (b) either signed the memorandum for a number of shares not less than his qualification shares (if any), or signed and filed with the registrar a contract in writing to take from the company and pay for his qualification shares (if any).

(2) On the application for registration of the memorandum and articles of a company, the applicant shall deliver to the registrar a list of the persons who have consented to be directors of the company, and, if that list contains the name of anyone who has not so consented, the applicant shall be liable to a fine not exceeding two hundred and forty dollars.

Penalty.

(3) This section shall not apply to a private company or to a prospectus issued by or on behalf of a company after the expiration of one year from the date at which the company is entitled to commence business.

71.—(1) Without prejudice to the restrictions imposed by the last foregoing section, it shall be the duty of every director who is by the regulations of the company required to hold a specified share qualification, and who is not already qualified, to obtain his qualification within two months after his appointment, or any shorter time fixed by the regulations of the company.

Qualification of director.

(2) The office of director of a company shall be vacated if the director does not, within two months from the date of his appointment, or within any shorter time fixed by the regulations of the company, obtain his qualification, or if, after the expiration of that period or shorter time, he ceases at any time to hold his qualification; and a

person vacating office under this section shall be incapable of being re-appointed director of the company until he has obtained his qualification.

Penalty.

(3) If, after the expiration of the period or shorter time aforesaid, any unqualified person acts as a director of the company, he shall be liable to a fine not exceeding twenty-four dollars for every day between the expiration of the said period or shorter time and the last day on which it is proved that he acted as a director.

Validity of acts of directors.

72. The acts of a director or manager shall be valid notwithstanding any defect afterwards discovered in his appointment or qualification.

List of directors to be sent to registrar.

73.—(1) Every company shall keep at its registered office a register containing the names and addresses and the occupations of its directors or managers, and send to the registrar a copy thereof, and from time to time notify to the registrar any change among its directors or managers. The notification shall be made not later than one month from the change.

Penalty.

(2) If default is made in compliance with this section, the company shall be liable to a fine not exceeding twenty-four dollars for every day during which the default continues; and every director and manager of the company who knowingly and wilfully authorises or permits the default shall be liable to the like penalty.

Contracts, Foreign Deeds, Seal.

Form of contracts.

74.—(1) Contracts on behalf of a company may be made as follows (that is to say)—

- (a) a contract which if made between private persons would be by law required to be in writing may be made on behalf of the company in writing under the common seal of the company and may in the same manner be varied or discharged;
- (b) a contract which if made between private persons would be by law required to be in writing, signed by the parties to be charged therewith, may be made on behalf of the company in writing signed by any person acting under its authority, expressed or implied, and may in the same manner be varied or discharged;

(c) a contract which if made between private persons would by law be valid although made by parol only, and not reduced into writing, may be made by parol on behalf of the company by any person acting under its authority express or implied and may in the same manner be varied or discharged.

(2) All contracts made according to this section shall be effectual in law and shall bind the company and its successors and all other parties thereto, their heirs, executors, or administrators, as the case may be.

75. A bill of exchange or promissory note shall be deemed to have been made, accepted, or indorsed on behalf of a company if made, accepted, or indorsed in the name, or by on behalf or on account, of the company by any person acting under its authority.

Bills of exchange and promissory notes.

76. A company may, by writing under its common seal, empower any person, either generally or in respect of any specified matters, as its attorney to execute deeds on its behalf in any place outside the colony; and every deed signed by the attorney on behalf of the company and under his seal shall bind the company and have the same effect as if it were under its common seal.

Execution of deeds abroad.

77.—(1) A company whose objects require or comprise the transaction of business in foreign countries may, if authorised by its articles, have for use in any territory, district, or place outside the colony an official seal, which shall be a facsimile of the common seal of the company, with the addition on its face of the name of every territory, district, or place where it is to be used.

Official seal for use abroad.

(2) A company having an official seal may, by writing under its common seal, authorise anyone appointed for the purpose in any territory, district, or place outside the colony to affix it to any deed or other document to which the company is party in that territory, district, or place.

(3) The authority of the agent shall, as between the company and anyone dealing with him, continue during the period, if any, mentioned in the instrument conferring the authority, or if no period is there mentioned, then until notice of the revocation of determination of his authority has been given to the person dealing with him.

(4) The person affixing the official seal shall, by writing under his hand, on the deed or other document to which the seal is affixed, certify the date and place of affixing it.

(5) A deed or other document to which an official seal is duly affixed shall bind the company as if it had been sealed with the common seal of the company.

Prospectus.

Filing of
prospectus.

78.—(1) Every prospectus issued by or on behalf of a company or in relation to any intended company shall be dated, and that date shall, unless the contrary be proved, be taken as the date of publication of the prospectus.

(2) A copy of every prospectus, signed by every person who is named therein as a director or proposed director of the company, or by his agent authorised in writing, shall be filed for registration with the registrar on or before the date of its publication, and no prospectus shall be issued until a copy thereof has been so filed for registration.

(3) The registrar shall not register any prospectus unless it is dated and the copy thereof is signed in manner required by this section.

(4) Every prospectus shall state on the face of it that a copy has been filed for registration as required by this section.

Penalty.

(5) If a prospectus is issued without a copy thereof being so filed, the company, and every person who is knowingly a party to the issue of the prospectus, shall be liable to a fine not exceeding twenty-four dollars for every day from the date of the issue of the prospectus until a copy thereof is so filed.

Specific
requirements
as to
particulars of
prospectus :

79.—(1) Every prospectus issued by or on behalf of a company, or by or on behalf of any person who is or has been engaged or interested in the formation of the company, must state—

(a) the contents of the memorandum, with the names, descriptions, and addresses of the signatories, and the number of shares subscribed for by them respectively, and the number of founders' or management or deferred shares, if any, and the nature and extent of the interest of the holders in the property and profits of the company; and

- (b) the number of shares, if any, fixed by the articles as the qualification of a director, and any provision in the articles as to the remuneration of the directors; and
- (c) the names, descriptions, and addresses of the directors or proposed directors; and
- (d) the minimum subscription on which the directors may proceed to allotment, and the amount payable on application and allotment on each share, and, in the case of a second or subsequent offer of shares, the amount offered for subscription on each previous allotment made within the two preceding years, and the amount actually allotted, and the amount, if any, paid on the shares so allotted; and
- (e) the number and amount of shares and debentures which within the two preceding years have been issued, or agreed to be issued, as fully or partly paid up otherwise than in cash, and, in the latter case, the extent to which they are so paid up, and in either case the consideration for which those shares or debentures have been issued or are proposed or intended to be issued; and
- (f) the names and addresses of the vendors of any property purchased or acquired by the company, or proposed so to be purchased or acquired, which is to be paid for wholly or partly out of the proceeds of the issue offered for subscription by the prospectus, or the purchase or acquisition of which has not been completed at the date of issue of the prospectus, and the amount payable in cash, shares, or debentures, to the vendor, and, where there is more than one separate vendor, or the company is a sub-purchaser, the amount so payable to each vendor:
Provided that where the vendors or any of them are a firm the members of the firm shall not be treated as separate vendors; and
- (g) the amount (if any) paid or payable as purchase money in cash, shares, or debentures, for any such property as aforesaid, specifying the amount (if any) payable for goodwill; and
- (h) the amount (if any) paid within the two preceding years, or payable, as commission for subscribing

or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any shares in, or debentures of, the company, or the rate of any commission :

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Provided that it shall not be necessary to state the commission payable to sub-underwriters; and

- (i) the amount or estimated amount of preliminary expenses; and
- (j) the amount paid within the two preceding years or intended to be paid to any promoter, and the consideration for the payment; and
- (k) the dates of and parties to every material contract, and a reasonable time and place at which any material contract or a copy thereof may be inspected :

Proviso.

Provided that this requirement shall not apply to a contract entered into in the ordinary course of the business carried on or intended to be carried on by the company, or to any contract entered into more than two years before the date of issue of the prospectus; and

- (l) the names and addresses of the auditors (if any) of the company; and
- (m) full particulars of the nature and extent of the interest (if any) of every director in the promotion of, or in the property proposed to be acquired by, the company, or, where the interest of that director consists in being a partner in a firm, the nature and extent of the interest of the firm, with a statement of all sums paid or agreed to be paid to him or to the firm in cash or shares or otherwise by any person either to induce him to become, or to qualify him as, a director, or, otherwise for services rendered by him or by the firm in connection with the promotion or formation of the company; and,
- (n) where the company is a company having shares of more than one class, the right of voting at meetings of the company conferred by the several classes of shares respectively.

(2) For the purposes of this section everyone shall be deemed to be a vendor who has entered into any contract, absolute or conditional, for the sale or purchase, or for any

option of purchase, of any property to be acquired by the company, in any case where—

- (a) the purchase money is not fully paid at the date of issue of the prospectus; or
- (b) the purchase money is to be paid or satisfied wholly or in part out of the proceeds of the issue offered for subscription by the prospectus; or
- (c) the contract depends for its validity or fulfilment on the result of that issue.

(3) Where any of the property to be acquired by the company is to be taken on lease, this section shall apply as if the expression "vendor" included the lessor, and the expression "purchase money" included the consideration for the lease, and the expression "sub-purchaser" included a sub-lessee.

(4) Any condition requiring or binding any applicant for shares or debentures to waive compliance with any requirement of this section, or purporting to affect him with notice of any contract, document, or matter not specially referred to in the prospectus, shall be void.

(5) Where any prospectus mentioned in this section is published as a newspaper advertisement, it shall not be necessary in the advertisement to specify the contents of the memorandum or the signatories thereto, and the number of shares subscribed for by them.

(6) In the event of non-compliance with any of the requirements of this section, a director or other person responsible for the prospectus shall not incur any liability by reason of the non-compliance, if he proves that,—

- (a) as regards any matter not disclosed, he was not cognisant thereof; or
- (b) the non-compliance arose from an honest mistake of fact on his part :

Provided that in the event of non-compliance with the requirements contained in paragraph (m) of sub-section (1) of this section no director or other person shall incur any liability in respect of the non-compliance unless it be proved that he had knowledge of the matters not disclosed. Proviso.

(7) This section shall not apply to a circular or notice inviting existing members or debenture holders of a company to subscribe either for shares or for debentures of the company, whether with or without the right to renounce in favour of other persons, but subject as aforesaid, this

section shall apply to any prospectus whether issued on or with reference to the formation of a company or subsequently.

(8) The requirements of this section as to the memorandum and the qualification, remuneration, and interest of directors, the names, descriptions, and addresses of directors or proposed directors, and the amount or estimated amount of preliminary expenses, shall not apply in the case of a prospectus issued more than one year after the date at which the company is entitled to commence business.

(9) Nothing in this section shall limit or diminish any liability which anyone may incur under the general law or this Ordinance apart from this section.

Obligations
of companies
where no
prospectus
is issued.

80.—(1) A company which does not issue a prospectus on or with reference to its formation shall not allot any of its shares or debentures unless, before the first allotment of either shares or debentures, there has been filed with the registrar a statement in lieu of prospectus, signed by every person who is named therein as a director or a proposed director of the company or by his agent authorised in writing, in the form and containing the particulars set out in the second schedule to this Ordinance.

Second
schedule.

(2) This section shall not apply to a private company or to a company which has allotted any shares or debentures before the first day of January, nineteen hundred and fourteen.

Restriction
on variation
of terms
mentioned in
prospectus.

81. A company shall not previously to the statutory meeting vary the terms of a contract referred to in the prospectus or statement in lieu of prospectus, except subject to the approval of that meeting.

Liability for
statements
in pros-
pectus :

82.—(1) Where a prospectus invites persons to subscribe for shares in or in debentures of a company, everyone who is a director of the company at the time of the issue of the prospectus, and everyone who has authorised the naming of him and is named in the prospectus as a director or as having agreed to become a director either immediately or after an interval of time, and every promoter of the company, and everyone who has authorised the issue of the prospectus, shall be liable to pay compensation to all those who subscribe for any shares or debentures on the faith of the prospectus for the loss or damage they may sustain by

reason of any untrue statement therein, or in any report or memorandum appearing on the face thereof, or by reference incorporated therein or issued therewith, unless it is proved,—

(a) with respect to every untrue statement not purporting to be made on the authority of an expert, or of a public official document or statement, that he had reasonable ground to believe, and did up to the time of the allotment of the shares or debentures, as the case may be, believe, that the statement was true; and,

(b) with respect to every untrue statement purporting to be a statement by or contained in what purports to be a copy of or extract from a report or valuation of an expert that it fairly represented the statement, or was a correct and fair copy of or extract from the report or valuation :

Provided that the director, person named as director, promoter, or person who authorised the issue of the prospectus, shall be liable to pay compensation as aforesaid if it is proved that he had no reasonable ground to believe that the person making the statement, report, or valuation was competent to make it; and,

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(c) with respect to every untrue statement purporting to be a statement made by an official person or contained in what purports to be a copy of or extract from a public official document, that it was a correct and fair representation of the statement or copy of or extract from the document;

or unless it is proved that,

(i) having consented to become a director of the company, he withdrew his consent before the issue of the prospectus, and that it was issued without his authority or consent; or

(ii) the prospectus was issued without his knowledge or consent, and that, on becoming aware of its issue, he forthwith gave reasonable public notice that it was issued without his knowledge or consent; or,

(iii) after the issue of the prospectus and before allotment thereunder, he, on becoming aware of any untrue statement therein, withdrew his consent thereto and gave reasonable public notice of the withdrawal and of the reason therefor.

(2) Where the prospectus contains the name of a person as a director of the company, or as having agreed to become a director thereof, and he has not consented to become a director, or has withdrawn his consent before the issue of the prospectus, and has not authorised or consented to the issue thereof, the directors of the company, except any without whose knowledge or consent the prospectus was issued, and any other person who authorised the issue thereof, shall be liable to indemnify the person named as aforesaid against all damages, costs, and expenses to which he is made liable by reason of his name having been inserted in the prospectus, or in defending himself against any action or legal proceedings brought against him in respect thereof.

(3) Everyone who, by reason of his being a director named as a director or as having agreed to become a director, or of his having authorised the issue of the prospectus, becomes liable to make any payment under this section, may recover contribution, as in cases of contract, from any other person who, if sued separately, would have been liable to make the same payment, unless the person who has become so liable was, and that other person was not, guilty of fraudulent misrepresentation.

(4) For the purposes of this section—

“promoter” means a promoter who was a party to the preparation of the prospectus or of the portion thereof containing the untrue statement, but does not include any person by reason of his acting in a professional capacity for persons engaged in procuring the formation of the company;

“expert” includes engineer, valuer, accountant, and any other person whose profession gives authority to a statement made by him.

Allotment.

83.—(1) No allotment shall be made of any share capital of a company offered to the public for subscription unless the following conditions have been observed, namely,—

(a) the amount (if any) is fixed by the memorandum or articles and named in the prospectus as the minimum subscription upon which the directors may proceed to allotment; or,

(b) if no amount is so fixed and named, then the whole amount of the share capital so offered for subscription, has been subscribed, and the sum

Restriction
as to allot-
ment:

payable on application for the amount so fixed and named, or for the whole amount offered for subscription, has been paid to and received by the company.

(2) The amount so fixed and named and the whole amount aforesaid shall be reckoned exclusively of any amount payable otherwise than in cash, and is in this Ordinance referred to as the minimum subscription.

(3) The amount payable on application on each share shall not be less than five per centum of the nominal amount of the share.

(4) If the conditions aforesaid have not been observed on the expiration of forty days after the first issue of the prospectus, all money received from applicants for shares shall be forthwith paid to them without interest, and, if the money is not so re-paid within forty-eight days after the issue of the prospectus, the directors of the company shall be jointly and severally liable to repay that money with interest at the rate of five per centum per annum from the expiration of the forty-eight days:

Provided that a director shall not be liable if he proves Proviso. that the loss of the money was not due to any misconduct or negligence on his part.

(5) Any conditions requiring or binding any applicant for shares to waive compliance with any requirements of this section shall be void.

(6) This section, except sub-section (3) thereof, shall not apply to any allotment of shares subsequent to the first allotment of shares offered to the public for subscription.

(7) In the case of the first allotment of share capital payable in cash of a company which does not issue any invitation to the public to subscribe for its shares, no allotment shall be made unless the minimum subscription (that is to say):—

(a) the amount (if any) fixed by the memorandum or articles and named in the statement in lieu of prospectus as the minimum subscription upon which the directors may proceed to allotment; or,

(b) if no amount is so fixed and named, then the whole amount of the share capital other than that issued or agreed to be issued as fully or partly paid up otherwise than in cash,

has been subscribed and an amount not less than five per centum of the nominal amount of each share payable in cash has been paid to and received by the company.

(8) The last preceding sub-section shall not apply to a private company or to a company which has allotted any shares or debentures before the first day of January, nineteen hundred and fourteen.

Effect of
irregular
allotment :

84.—(1) An allotment made by a company to an applicant in contravention of the provisions of the last preceding section shall be voidable at the instance of the applicant within one month after the holding of the statutory meeting of the company and not later, and shall be so voidable notwithstanding that the company is in course of being wound up.

(2) If any director of a company knowingly contravenes or permits or authorises the contravention of any of the provisions of the last preceding section with respect to allotment he shall be liable to compensate the company and the allottee respectively for any loss, damages, or costs which the company or the allottee has sustained or incurred thereby :

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Provided that proceedings to recover the loss, damages, or costs shall not be commenced after the expiration of two years from the date of the allotment.

Restrictions
on com-
mencement
of business :

85.—(1) A company shall not commence any business or exercise any borrowing powers unless—

- (a) shares held subject to the payment of the whole amount thereof in cash have been allotted to an amount not less in the whole than the minimum subscription; and
- (b) every director of the company has paid to the company on each of the shares taken or contracted to be taken by him, and for which he is liable to pay in cash, a proportion equal to the proportion payable on application and allotment on the shares offered for public subscription, or in the case of a company which does not issue a prospectus inviting the public to subscribe for its shares, on the shares payable in cash; and
- (c) there has been filed with the registrar a statutory declaration by the secretary or one of the directors, in the prescribed form, that the aforesaid conditions have been fulfilled; and,
- (d) in the case of a company which does not issue a prospectus inviting the public to subscribe for its shares, there has been filed with the registrar a statement in lieu of prospectus.

(2) The registrar shall, on the filing of that statutory declaration, certify that the company is entitled to commence business, and that certificate shall be conclusive evidence that the company is so entitled:

Provided that, in the case of a company which does not issue a prospectus inviting the public to subscribe for its shares, the registrar shall not give the certificate unless a statement in lieu of prospectus has been filed with him.

(3) Any contract made by a company before the date at which it is entitled to commence business shall be provisional only, and shall not be binding on the company until that date, and on that date it shall become binding.

(4) Nothing in this section shall prevent the simultaneous offer for subscription or allotment of any shares and debentures or the receipt of any money payable on application for debentures.

(5) If any company commences business or exercises borrowing powers in contravention of this section, every person who is responsible for the contravention shall, without prejudice to any other liability, be liable to a fine not exceeding two hundred and forty dollars for every day during which the contravention continues.

(6) Nothing in this section shall apply to a private company, or to a company registered before the first day of January nineteen hundred and fourteen.

86.—(1) Whenever a company limited by shares makes any allotment of its shares, the company shall within one month thereafter file with the registrar—

- Return as to allotments:
- (a) a return of the allotments, stating the number and nominal amount of the shares comprised in the allotment, the names, addresses, and descriptions of the allottees, and the amount (if any) paid or due and payable on each share; and
 - (b) in the case of shares allotted as fully or partly paid up otherwise than in cash, a contract in writing constituting the title of the allottee to the allotment together with any contract of sale, or for services or other consideration in respect of which that allotment was made, those contracts being duly stamped, and a return stating the number and nominal amount of shares so allotted, the extent to which they are to be treated as paid up, and the consideration for which they have been allotted.

(2) Where a contract above mentioned is not reduced to writing, the company shall, within one month after the allotment, file with the registrar the prescribed particulars of the contract, stamped with the same stamp duty as would have been payable if the contract had been reduced to writing, and those particulars shall be deemed to be an instrument within the meaning of any Ordinance dealing with stamp duties for the time being in force.

Penalty :

(3) If default is made in complying with the requirements of this section, every director, manager, secretary, or other officer of the company, who is knowingly a party to the default, shall be liable to a fine not exceeding two hundred and forty dollars for every day during which the default continues :

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Provided that, in case of default in filing with the registrar within one month after the allotment any document required to be filed by this section, the company, or any person liable for the default, may apply to the Court for relief, and the Court, if satisfied that the omission to file the document was accidental or due to inadvertence or that it is just and equitable to grant relief, may make an order extending the time for the filing of the document for such period as the Court may think proper.

Commissions and Discounts.

Power to pay certain commissions and prohibition of payment of all other commissions, discounts, etc.

87.—(1) A company may pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in the company, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the company, if the payment of the commission is authorised by the articles, and the commission paid or agreed to be paid does not exceed the amount or rate so authorised, and if the amount or rate per centum of the commission paid or agreed to be paid is,—

- (a) in case of shares offered to the public for subscription, disclosed in the prospectus; or,
- (b) in the case of shares not offered to the public for subscription, disclosed in the statement in lieu of prospectus, or in a statement in the prescribed form signed in like manner as a statement in lieu of prospectus and filed with the registrar and, where a circular or notice, not being a prospectus, inviting subscriptions for the shares is issued, also disclosed in that circular or notice.

(2) Except as aforesaid, no company shall apply any of its shares or capital money either directly or indirectly in payment of any commission, discount, or allowance, to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares of the company, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the company, whether the shares or money be so applied by being added to the purchase money of any property acquired by the company or to the contract price of any work to be executed for the company, or the money be paid out of the nominal purchase money or contract price, or otherwise.

(3) Nothing in this section shall affect the power of a company to pay the brokerage it has heretofore been lawful for a company to pay, and a vendor to, promoter of, or other person who receives payment in money or shares from, a company shall have and shall be deemed always to have had power to apply any part of the money or shares so received in payment of any commission, the payment of which, if made directly by the company, would have been legal under this section.

88. Where a company has paid any sums by way of commission in respect of any shares or debentures, or allowed any sums by way of discount in respect of any debentures, the total amount so paid or allowed, or so much thereof as has not been written off, shall be stated in every balance sheet of the company until the whole amount thereof has been written off.

Statement in balance sheet as to commissions and discounts.

Payment of Interest out of Capital.

89. Where any shares of a company are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the company may pay interest on so much of that share capital as is for the time being paid up for the period and subject to the conditions and restrictions in this section mentioned, and may charge the payment to capital as part of the cost of construction of the work or building, or the provision of plant :

Power of company to pay interest out of capital in certain cases :

Provided that—

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- (a) no such payment shall be made unless the same is authorised by the articles or by special resolution ;

- (b) no such payment, whether authorised by the articles or by special resolution, shall be made without the previous sanction of the Governor in Council;
- (c) before sanctioning any such payment the Governor in Council may, at the expense of the company, appoint a person to inquire and report to him as to the circumstances of the case, and may, before making the appointment, require the company to give security for the payment of the costs of the inquiry;
- (d) the payment shall be made only for such period as may be determined by the Governor in Council; and that period shall in no case extend beyond the close of the half year next after the half year during which the works or buildings have been actually completed or the plant provided;
- (e) the rate of interest shall in no case exceed the rate for the time being prescribed by the Governor in Council;
- (f) the payment of the interest shall not operate as a reduction of the amount paid up on the shares in respect of which it is paid; and
- (g) the accounts of the company shall show the share capital on which, and the rate at which, interest has been paid out of capital during the period to which the accounts relate.

Certificates of Shares, Debentures, and Debenture Stock.

Limitation
of time for
issue of
certificates.

90.—(1) Every company shall, within two months after the allotment of any of its shares, debentures, or debenture stock, and within two months after the registration of the transfer of any of its shares, debentures, or debenture stock, complete and have ready for delivery the certificates of all shares, the debentures, and the certificates of all debenture stock allotted or transferred, unless the conditions of issue of the shares, debentures, or debenture stock otherwise provide.

Penalty.

(2) If default is made in complying with the requirements of this section, the company, and every director, manager, secretary, and other officer of the company who is knowingly a party to the default, shall be liable to a fine not exceeding twenty-four dollars for every day during which the default continues.

Information as to Mortgages and Charges.

91.—(1) Every mortgage or charge created after the first day of January, nineteen hundred and fourteen, by a company registered in the colony, and being either—

Registration
of mortgages
and charge

- (a) a debenture not secured by any separate mortgage or charge; or
- (b) a mortgage or charge for the purpose of securing any issue of debentures; or
- (c) a mortgage or charge on uncalled share capital of the company; or
- (d) a mortgage or charge created or evidenced by an instrument which, if executed by an individual, would require registration as a bill of sale; or
- (e) a mortgage or charge on any land, wherever situate, or any interest therein; or
- (f) a mortgage or charge on any book debts of the company; or
- (g) a floating charge on the undertaking or property of the company,

shall be void, so far as any security on the company's property or undertaking is thereby conferred, against the liquidator and any creditor of the company, unless the prescribed particulars of the mortgage or charge, together with a copy of the instrument (if any) certified under the hand of a notary public by which the mortgage or charge is created or evidenced, are delivered to or received by the registrar for registration in manner required by this Ordinance within twenty-one days after the date of its creation, but without prejudice to any contract or obligation for repayment of the money thereby secured, and when a mortgage or charge becomes void under this section the money secured thereby shall immediately become payable:

Provided that,—

Proviso :

- (a) in the case of a mortgage or charge created out of the colony comprising solely property situate outside of the colony, the delivery to and the receipt by the registrar of a copy of the instrument by which the mortgage or charge is created or evidenced, verified in the prescribed manner, shall have the same effect for the purposes of this section as the delivery and receipt of the instrument itself, and twenty-one days after the date on which the instrument or copy could, in due course of post and if despatched with due

diligence, have been received in the colony shall be substituted for twenty-one days after the date of the creation of the mortgage or charge, as the time within which the particulars and instruments or copy are to be delivered to the registrar; and,

- (b) where the mortgage or charge is created in the colony but comprises property outside the colony, a copy of the instrument creating or purporting to create the mortgage or charge certified under the hand of a notary public may be sent for registration notwithstanding that further proceedings may be necessary to make the mortgage or charge valid or effectual according to the law of the country in which the property is situate; and,
- (c) where a negotiable instrument has been given to secure the payment of any book debts of a company, the deposit of the instrument for the purpose of securing an advance to the company shall not for the purposes of this section be treated as a mortgage or charge on those book debts; and
- (d) the holding of debentures entitling the holder to a charge on land shall not be deemed to be an interest in land; and
- (e) a debenture not secured by a separate mortgage or charge but which has been duly registered after a notice of the intended registration has been published in the Gazette and one local newspaper not less than seven days previous to the registration, shall be valid and shall rank as a mortgage notwithstanding that it has not been secured by any separate mortgage or charge.

(2) The registrar shall keep, with respect to each company, a register in the prescribed form of all the mortgages and charges created by the company after the first day of January, nineteen hundred and fourteen, and requiring registration under this section, and shall, on payment of the prescribed fee, enter in the register, with respect to every such mortgage or charge, the date of creation, the amount secured by it, short particulars of the property mortgaged or charged, and the names of the mortgagees or persons entitled to the charge.

(3) Where a series of debentures containing, or by reference to any other instrument giving, any charge to the

benefit of which the debenture holders of that series are entitled *pari passu* is created by a company, it shall be sufficient if there are delivered to or received by the registrar within twenty-one days after the execution of the deed containing the charge or, if there is not that deed, after the execution of any debentures of the series, the following particulars :—

- (a) the total amount secured by the whole series; and
- (b) the dates of the resolutions authorising the issue of the series and the date of the covering deed, if any, by which the security is created or defined; and
- (c) a general description of the property charged; and
- (d) the names of the trustees, if any, for the debenture holders;

together with the deed containing the charge, or, if there is not that deed, one of the debentures of the series, and the registrar shall, on payment of the prescribed fee, enter those particulars in the register :

Provided that, where more than one issue is made of debentures in the series, there shall be sent to the registrar for entry in the register particulars of the date and amount of each issue, but an omission to do so shall not affect the validity of the debentures issued. Proviso :

(4) Where any commission, allowance, or discount has been paid or made either directly or indirectly by the company to anyone in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any debentures of the company, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for debentures, the particulars required to be sent for registration under this section shall include particulars as to the amount or rate per centum of the commission, discount, or allowance so paid or made, but an omission to do so shall not affect the validity of the debentures issued :

Provided that the deposit of any debentures as security for any debt of the company shall not for the purposes of this provision be treated as the issue of the debentures at a discount. Proviso :

(5) The registrar shall give a certificate under his hand of the registration of any mortgage or charge registered in pursuance of this section, stating the amount thereby secured, and the certificate shall be conclusive evidence that the requirements of this section as to registration have been fulfilled.

(6) The company shall cause a copy of every certificate of registration given under this section to be indorsed on every debenture or certificate of debenture stock which is issued by the company, and the payment of which is secured by the mortgage or charge so registered :

Proviso :

Provided that nothing in this sub-section shall be construed as requiring a company to cause a certificate of registration of any mortgage or charge so given to be indorsed on any debenture or certificate of debenture stock which has been issued by the company before the mortgage or charge was created.

(7) It shall be the duty of the company to send to the registrar for registration the particulars of every mortgage or charge created by the company and of the issues of debentures of a series requiring registration under this section, but registration of any mortgage or charge may be effected on the application of any person interested therein.

(8) Where the registration is effected on the application of some person other than the company, that person shall be entitled to recover from the company the amount of any fees properly paid by him to the registrar on the registration.

(9) The register kept in pursuance of this section shall be open to inspection by any person on payment of the prescribed fee, not exceeding twenty-four cents for each inspection.

(10) Every company shall cause a copy of every instrument creating any mortgage or charge requiring registration under this section to be kept at the registered office of the company :

Proviso.

Provided that, in the case of a series of uniform debentures, a copy of one of the debentures shall be sufficient.

Registration
of enforce-
ment of
security.

92.—(1) If anyone obtains an order for the appointment of a receiver or manager of the property of a company, or appoints that receiver or manager under any powers contained in any instrument, he shall, within seven days from the date of the order or of the appointment under the powers contained in the instrument, give notice of the fact to the registrar, and the registrar shall, on payment of the prescribed fee, enter the fact in the register of mortgages and charges.

(2) Anyone who makes default in compliance with the requirements of this section shall be liable to a fine not exceeding twenty-four dollars for every day during which the default continues. Penalty.

93.—(1) Every receiver or manager of the property of a company who has been appointed under the powers contained in any instrument and has taken possession, shall, once in every half-year while he remains in possession, and also on ceasing to act as receiver or manager, file with the registrar an abstract in the prescribed form of his receipts and payments during the period to which the abstract relates, and shall also on ceasing so to act file with the registrar notice to that effect, and the registrar shall enter the notice in the register of mortgages and charges. Filing receivers' and managers' accounts.

(2) Every receiver or manager who makes default in complying with the provisions of this section shall be liable to a fine not exceeding two hundred and forty dollars. Penalty.

94. A Judge of the Supreme Court, on being satisfied that the omission to register a mortgage or charge within the time hereinbefore required, or that the omission or mis-statement of any particular with respect to a mortgage or charge, was accidental, or due to inadvertence or to some other sufficient cause, or is not of a nature to prejudice the position of creditors or shareholders of the company, or that on other grounds it is just and equitable to grant relief, may, on the application of the company or anyone interested, and on such terms and conditions as seem to the judge just and expedient, order that the time for registration be extended, or, as the case may be, that the omission or mis-statement be rectified. Rectification of register of mortgages.

95. The registrar may, on evidence being given to his satisfaction that the debt for which any registered mortgage or charge was given has been paid or satisfied, order that a memorandum of satisfaction be entered on the register, and shall if required furnish the company with a copy thereof. Entry of satisfaction.

96. The registrar shall keep a chronological index, in the prescribed form and with the prescribed particulars, of the mortgages or charges registered with him under this Ordinance. Index of mortgages and charges.

97.—(1) If any company makes default in sending to the registrar for registration the particulars of any mortgage or charge created by the company, and of the issues

of debentures of a series, requiring registration with the registrar under the foregoing provisions of this Ordinance, then, unless the registration has been effected on the application of some other person, the company, and every director, manager, secretary, or other person who is knowingly a party to the default, shall on conviction be liable to a fine not exceeding two hundred and forty dollars for every day during which the default continues.

Penalties.

(2) Subject as aforesaid, if any company makes default in complying with any of the requirements of this Ordinance as to the registration with the registrar of any mortgage or charge created by the company, the company and every director, manager, and other officer of the company who knowingly and wilfully authorised or permitted the default shall, without prejudice to any other liability, be liable on summary conviction to a fine not exceeding four hundred and eighty dollars.

(3) Anyone who knowingly and wilfully authorises or permits the delivery of any debenture or certificate of debenture stock requiring registration with the registrar under the foregoing provisions of this Ordinance without a copy of the certificate of registration being indorsed upon it, shall, without prejudice to any other liability, be liable on summary conviction to a fine not exceeding four hundred and eighty dollars.

Company's register of mortgages.

98.—(1) Every limited company shall keep in one or more books a register of mortgages and enter therein all mortgages and charges including debentures specifically affecting property of the company, giving in each case a short description of the property mortgaged or charged, the amount of the mortgage or charge, and (except in the case of securities to bearer) the names of the mortgagees or persons entitled thereto.

(2) Any director, manager, or other officer of the company who knowingly and wilfully authorises or permits the omission of any entry required to be made in pursuance of this section, shall be liable to a fine not exceeding two hundred and forty dollars.

Penalty.

Right to inspect copies of instruments creating mortgages and charges and company's register of mortgages.

99.—(1) The copies of instruments creating any mortgage or charge requiring registration under this Ordinance with the registrar, and the register of mortgages kept in pursuance of the last preceding section, shall be open at all reasonable times to the inspection of any creditor or member of the company without fee, and the register of mortgages shall also be open to the inspection of any other

person on payment of the fee, not exceeding twenty-four cents for each inspection, prescribed by the company.

(2) If inspection of the copies or register is refused, any officer of the company who refuses inspection, and every director and manager of the company who authorises or knowingly and wilfully permits the refusal, shall be liable to a fine not exceeding twenty-four dollars, and a further fine not exceeding ten dollars for every day during which the refusal continues; and, in addition to the above penalty any judge of the Supreme Court sitting in chambers may by order compel an immediate inspection of the copies or register.

Penalty.

100.—(1) In case of the issue of any debentures payable to registered holder, or of debentures payable to bearer but with power to have the bearer registered as a holder, a register of holders of debentures shall be kept by the company and shall, except when closed in accordance with the articles during the period or periods (not exceeding in the whole thirty days in any year) specified in the articles, be open to the inspection of the registered holder of any of those debentures, and of any holder of shares in the company, but subject to any reasonable restrictions which the company in general meeting imposes, so that at least two hours in each day are appointed for inspection, and every holder aforesaid may require a copy of the register or any part thereof on payment of twelve cents for every one hundred words required to be copied.

Right of debenture holders to inspect register of debenture holders and to have copies of trust deed.

(2) A copy of any trust deed for securing any issue of debentures shall be transmitted to every holder of the debentures at his request on payment, in the case of a printed trust deed, of the sum of twenty-four cents or any less sum prescribed by the company, or where the trust deed has not been printed on payment of twelve cents for every one hundred words required to be copied.

(3) If inspection is refused, or a copy is refused or not transmitted, the company shall be liable to a fine not exceeding twenty-four dollars, and to a further fine not exceeding ten dollars for every day during which the refusal continues, and every director, manager, secretary, or other officer of the company who knowingly authorises or permits the refusal shall incur the like penalty.

Penalty.

Debentures and Floating Charges.

101. A condition contained in any debentures or in any deed for securing any debentures, whether issued or

Perpetual debentures.

executed before or after the passing of this Ordinance, shall not be invalid by reason only that thereby the debentures are made irredeemable or redeemable only on the happening of a contingency, however remote, or on the expiration of a period, however long, any rule of equity to the contrary notwithstanding.

Re-issue of redeemed debentures in certain cases :

102.—(1) Where, either before or after the passing of this Ordinance, a company has redeemed any debentures previously issued, the company, unless the articles or the conditions of issue expressly otherwise provide, or unless the debentures have been redeemed in pursuance of any obligation on the company to do so (not being an obligation enforceable only by the person to whom the redeemed debentures were issued or his assigns), shall have power, and shall be deemed always to have had power, to keep the debentures alive for the purposes of re-issue, and where a company has purported to exercise that power the company shall have, and shall be deemed always to have had, power to re-issue the debentures, either by re-issuing the same debentures or by issuing other debentures in their place, and upon the re-issue the person entitled to the debentures shall have, and shall be deemed always to have had, the same rights and priorities as if the debentures had not previously been issued.

(2) Where, with the object of keeping debentures alive for the purpose of re-issue, they have either before or after the passing of this Ordinance been transferred to a nominee of the company, a transfer from that nominee shall be deemed to be a re-issue for the purposes of this section.

(3) Where a company has either before or after the passing of this Ordinance deposited any of its debentures to secure advances from time to time on current account or otherwise, the debentures shall not be deemed to have been redeemed by reason only of the account of the company having ceased to be in debit whilst the debentures remain so deposited.

(4) The re-issue of a debenture or the issue of another debenture in its place under the power by this section given to, or deemed to have been possessed by, a company, whether the re-issue or issue was made before or after passing of this Ordinance, shall be treated as the issue of a new debenture for the purposes of stamp duty, but it

shall not be so treated for the purposes of any provision limiting the amount or number of debentures to be issued :

Provided that anyone lending money on the security of a debenture re-issued under this section which appears to be duly stamped may give the debenture in evidence in any proceedings for enforcing his security without payment of the stamp duty or any penalty in respect thereof, unless he had notice or, but for his negligence, might have discovered, that the debenture was not duly stamped, but in that case the company shall be liable to pay the proper stamp duty and penalty.

Proviso.

(5) Nothing in this section shall prejudice—

- (a) the operation of any judgement or order of a court of competent jurisdiction pronounced or made before the first day of January, nineteen hundred and fourteen as between the parties to the proceedings in which the judgement was pronounced or the order made, and any appeal from the judgement or order shall be decided as if this Ordinance had not passed; or
- (b) any power to issue debentures in the place of any debentures paid off or otherwise satisfied or extinguished, reserved to a company by its debentures or the securities therefor.

103. A contract with a company to take up and pay for any debentures of the company may be enforced by an order for specific performance.

Specific performance of contract to subscribe for debentures.

104.—(1) Where either a receiver is appointed on behalf of the holders of any debentures of the company secured by a floating charge or possession is taken by or on behalf of those debenture holders of any property comprised in or subject to the charge, then, if the company is not at the time in course of being wound up, the debts which in every winding up are, under the provisions of Part IV of this Ordinance relating to preferential payments, to be paid in priority to all other debts shall be paid forthwith out of any assets coming to the hands of the receiver or other person taking possession as aforesaid in priority to any claim for principal or interest in respect of the debentures.

Payments of certain debts out of assets subject to floating charge in priority to claims under the charge.

(2) The periods of time mentioned in those provisions shall be reckoned from the date of the appointment of the receiver or of possession being taken as aforesaid, as the case may be.

(3) Any payments made under this section shall be recouped as far as may be out of the assets of the company available for payment of general creditors.

Statement to be published by Banking and certain other Companies.

Certain companies to publish statement in schedule :

105.—(1) Every company which is a limited banking company or an insurance company or a deposit, provident, or benefit society shall, before it commences business, and also on the first Monday in March and the first Tuesday in September in every year during which it carries on business, make a statement in form C. in the first schedule hereto, or as near thereto as circumstances will admit :

Proviso.

Provided that on the application of a company the Governor in Council for any reason seeming to him sufficient may permit the substitution of any other date or dates in any year, or for any period of years, for making the statement.

(2) A copy of the statement shall be put up in a conspicuous place in the registered office of the company, and in every branch office or place where the business of the company is transacted.

(3) Every member and every creditor of the company shall be entitled to a copy of the statement on payment of a sum not exceeding twelve cents.

Penalty.

(4) If default is made in compliance with this section, the company shall be liable to a fine not exceeding twenty-four dollars for every day during which the default continues; and every director and manager of the company who knowingly and wilfully authorises or permits the default shall be liable to the like penalty.

(5) For the purposes of this Ordinance a company that carries on the business of insurance in common with any other business or businesses shall be deemed to be an insurance company.

Chapter 214.

(6) This section shall not apply to any society registered under the Friendly Societies Ordinance, or to any banking company formed in pursuance of any Ordinance unless the Ordinance so directs.

Inspection and Audit.

Appointment of inspectors by Governor in Council.

106.—(1) The Governor in Council may appoint one or more competent inspectors to investigate the affairs of any

company and to report thereon in such manner as the Governor in Council directs,—

- (a) in the case of a banking company having a share capital, on the application of members holding not less than one third of the shares issued;
- (b) in the case of any other company having a share capital, on the application of members holding not less than one tenth of the shares issued;
- (c) in the case of a company not having a share capital, on the application of not less than one fifth in number of the persons on the company's register of members.

(2) The application shall be supported by such evidence as the Governor in Council requires for the purpose of showing that the applicants have good reasons for, and are not actuated by malicious motives in requiring, the investigation; and the Governor in Council may, before appointing an inspector, require the applicants to give security for payment of the costs of the inquiry.

(3) It shall be the duty of all officers and agents of the company to produce to the inspectors all books and documents in their custody or power.

(4) An inspector may examine on oath the officers and agents of the company in relation to its business and may administer an oath accordingly.

(5) If any officer or agent refuses to produce any book or document which under this section it is his duty to produce, or to answer any question relating to the affairs of the company, he shall be liable to a fine not exceeding Penalty. twenty-four dollars in respect of each offence.

(6) On the conclusion of the investigation the inspectors shall send to the Governor in Council a report of their opinion, which shall be written or printed as the Governor in Council directs, and a copy of the report shall be transmitted by the Governor in Council to the registered office of the company, and a further copy shall, at the request of the applicants for the investigation, be delivered to them.

(7) All expenses of and incidental to the investigation shall be defrayed by the applicants unless the Governor in Council directs them to be paid by the company, which the Governor in Council is hereby authorised to do.

Power of company to appoint inspectors.

107.—(1) A company may by special resolution appoint inspectors to investigate its affairs.

(2) Inspectors so appointed shall have the same powers and duties as inspectors appointed by the Governor in Council, except that, instead of reporting to the Governor in Council, they shall do so in the manner and to the persons directed by the company in general meeting.

(3) Officers and agents of the company shall incur the same penalties in case of refusal to produce any book or document required to be produced to inspectors so appointed or to answer any question, as they would have incurred if the inspectors had been appointed by the Governor in Council.

Report of inspectors to be evidence.

108. A copy of the report of any inspectors appointed under this Ordinance, authenticated by the seal of the company whose affairs they have investigated, shall be admissible in any legal proceeding as evidence of the opinion of the inspectors in relation to any matter contained in the report.

Appointment, special duties, and remuneration of auditors:

109.—(1) Every company shall at each annual general meeting appoint an auditor or auditors to hold office until the next annual general meeting and may by resolution prescribe the special duties, if any, to be discharged by any auditor.

(2) If an appointment of auditors is not made at an annual general meeting, the Governor in Council may, on the application of any member of the company, appoint an auditor of the company for the current year and fix the remuneration to be paid to him by the company for his services.

(3) A director or officer of the company shall not be capable of being appointed auditor of the company.

(4) A person, other than a retiring auditor, shall not be capable of being appointed auditor at an annual general meeting unless notice of an intention to nominate that person to the office of auditor has been given by a shareholder to the company not less than fourteen days before the annual general meeting, and the company shall send a copy of the notice to the retiring auditor, and shall give notice thereof to the shareholders, either by advertisement

or in any other mode allowed by the articles, not less than seven days before the annual general meeting :

Provided that if, after notice of the intention to nominate an auditor has been so given, an annual general meeting is called for a date fourteen days or less after the notice has been given, the notice, though not given within the time required by this provision, shall be deemed to have been properly given for the purposes thereof, and the notice to be sent or given by the company may, instead of being sent or given within the time required by this provision, be sent or given at the same time as the notice of the annual general meeting. Proviso.

(5) The first auditors of the company may be appointed by the directors before the statutory meeting and, if so appointed, shall hold office until the first annual general meeting, unless previously removed by a resolution of the shareholders in general meeting, in which case the shareholders at that meeting may appoint auditors.

(6) The directors may fill any casual vacancy in the office of auditor, but while a vacancy continues the surviving or continuing auditor or auditors, if any, may act.

(7) The remuneration of the auditors of a company shall be fixed by the company in general meeting, except that the remuneration of any auditors appointed before the statutory meeting or to fill any casual vacancy may be fixed by the directors.

(8) No one shall be appointed auditor who is not—

- (a) a member of the Institute of Chartered Accountants in England, Wales, Scotland, or Ireland; or
- (b) a member of the Society of Incorporated Accountants and Auditors; or
- (c) a member of a local or other British or British colonial institute or society, whose standing is considered by the Governor in Council to be such as to justify the grant of a permit to practise as an auditor; or
- (d) one whose name is set out in the sixth schedule hereto or is added thereto at any time hereafter by order of the Governor in Council as being a person who has publicly carried on the business of an accountant, either as his sole or as his principal business, for five years before the date hereof; or

Sixth
schedule.

(e) one who has obtained from any board of examiners appointed by the Governor a certificate that in the opinion of that board he is a fit and proper person to act as auditor.

(9) The office of auditor of a company shall be vacated if its holder ceases to possess one of the qualifications contained in the last preceding sub-section.

(10) The Governor in Council may cancel or suspend any permit granted in pursuance of paragraph (c), (d), or (e) above, or may by order prohibit or suspend from practising as auditor in the colony anyone claiming by any other qualifications.

(11) The Governor may make rules for the conduct of examinations and for the fees to be paid by candidates therefor.

Powers and
duties of
auditors.

110.—(1) Every auditor of a company shall have a right of access at all times to the books and accounts and vouchers of the company, and shall be entitled to require from the directors and officers of the company any information and explanation necessary for the performance of the duties of the auditors.

(2) The auditors shall make a report to the shareholders on the accounts examined by them, and on every balance sheet laid before the company in general meeting during their tenure of office, and the report shall state—

- (a) whether or not they have obtained all the information and explanations they have required; and
- (b) whether, in their opinion, the balance sheet referred to in the report is properly drawn up so as to exhibit a true and correct view of the state of the company's affairs according to the best of their information and the explanations given to them, and as shown by the books of the company; and
- (c) whether in addition to the foregoing general duties they have performed the special duties, if any, imposed upon them by any resolution.

(3) The balance sheet shall be signed on behalf of the board by two of the directors of the company or, if there is only one director, by that director, and the auditors' report shall be attached to the balance sheet, or there shall be inserted at the foot of the balance sheet a reference to the

report, and the report shall be read before the company in general meeting, and the balance sheet and report shall be open to inspection by any shareholder.

(4) Any shareholder shall be entitled to be furnished with a copy of the balance sheet and auditors' report at a charge not exceeding six cents for every hundred words.

(5) If any copy of a balance sheet which has not been signed as required by this section is issued, circulated, or published, or if any copy of a balance sheet is issued, circulated, or published, without either having a copy of the auditors' report attached thereto or containing the reference to that report required by this section, the company and every director, manager, secretary, or other officer of the company who is knowingly a party to the default, shall on conviction be liable to a fine not exceeding two hundred and forty dollars.

Penalty.

111.—(1) Holders of preference shares and debentures of a company shall have the same right to receive and inspect the balance sheets of the company and the reports of the auditors and other reports as is possessed by the holders of ordinary shares in the company.

Rights of holders of preference shares and debentures to receipt and inspection of balance sheets and reports.

(2) This section shall not apply to a private company, nor to a company registered before the first day of January nineteen hundred and fourteen.

Carrying on Business with less than the legal Minimum of Members.

112.—(1) If at any time the number of members of a company is reduced, in the case of a private company below two, or in the case of any other company below seven, and it carries on business for more than six months while the number is so reduced, every person who is a member of the company during the time that it so carries on the business after those six months, and is cognisant of the fact that it is carrying on the business with fewer than two members or seven members, as the case may be, shall be severally liable for the payment of the whole debts of the company contracted during that time and may be sued therefor without joinder in the action of any other member.

Prohibition of carrying on business with fewer than seven or, in the case of a private company, two members.

Service and Authentication of Documents.

113. A document may be served on a company by leaving it at or sending it by post to the registered office of the company.

Service of documents on company.

Authentica-
tion of
documents.

114. A document or proceeding requiring authentication by a company may be signed by a director, secretary, or other authorised officer of the company and need not be under its common seal.

Tables and Forms.

Application
and altera-
tion of tables
and forms ;

third
schedule.

first
schedule.

third
schedule.

Table A ;
first
schedule.

115.—(1) The forms in the third schedule hereto or forms as near thereto as circumstances admit shall be used in all matters to which those forms relate.

(2) The Governor in Council may alter either of the tables and the form in the first schedule hereto, but so that the alteration does not increase the amount of the fees payable to the registrar in that schedule mentioned, and may alter or add to the forms in the third schedule.

(3) A table or form, when altered, shall be published in the Gazette and thenceforth shall have the same force as if it were included in one of the schedules hereto, but no alteration made by the Governor in Council in Table A in the first schedule shall affect any company registered before the alteration or repeal, as respects that company, of any portion of that table.

Power to Compromise.

Power to
compromise
with credi-
tors and
members.

116.—(1) Where a compromise or arrangement is proposed between a company and its creditors or any class of them, or between the company and its members or any class of them, the Court may, on the application in a summary way of the company or of any creditor or member of the company, or, when a company is being wound up, of the liquidator, order a meeting of the creditors or class of creditors, or of the members of the company or class of members, as the case may be, to be summoned in the manner the Court directs.

(2) If a majority in number representing three fourths in value of the creditors or class of creditors, or members, or class of members, as the case may be, present either in person or by proxy at a meeting, agree to any compromise or arrangement, the compromise or arrangement shall, if sanctioned by the Court, be binding on all the creditors or the class of creditors, or on the members or class of members, as the case may be, and also on the company, or, when a company is being wound up, on the liquidator and contributories of the company.

(3) In this section the expression "company" means any company liable to be wound up under this Ordinance.

Meaning of term "Private Company."

117.—(1) For the purposes of this Ordinance the expression "private company" means a company which by its articles—

Meaning
of term
"private
company";

- (a) restricts the right to transfer its shares; and
- (b) limits the number of its members (exclusive of (i) persons who are in the employment of the company and (ii) persons who, having been formerly in the employment of the company, were while in that employment, and have continued after the determination of that employment to be, members of the company) to fifty; and
- (c) prohibits any invitation to the public to subscribe for any shares or debentures of the company.

(2) A private company, subject to anything contained in the memorandum or articles, may by passing a special resolution and by filing with the registrar the statement in lieu of prospectus which the company, if a public company, would have had to file before allotting any of its shares or debentures, together with the statutory declaration which the company, if a public company, would have had to file before commencing business, turn itself into a public company.

(3) Where two or more persons hold one or more shares in a company jointly they shall, for the purposes of this section, be treated as a single member.

(4)—(a) Where the articles of a company include the provisions which are required to be included therein in order to constitute the company a private company and default is made in complying with any of those provisions, the company shall cease to be entitled to the privileges and exemptions conferred on private companies under the provisions of sections twenty-six, sub-section (3), one hundred and eleven, one hundred and twelve and one hundred and twenty-five of this Ordinance, and thereupon those provisions shall apply to the company as if it were not a private company:

Provided that the Court, on being satisfied that the failure to comply with the conditions was accidental or due to inadvertence or to some other sufficient cause, or that

Proviso.

on other grounds it is just and equitable to grant relief, may, on the application of the company or any other person interested and on such terms and conditions as seem to the Court just and expedient, order that the company be relieved from the consequences aforesaid.

(b) Every private company shall send with the annual list of members and summary required to be sent under section twenty-six of this Ordinance a certificate signed by a director or the secretary that the company has not, since the date of the last return, or in the case of a first return since the date of the incorporation of the company, issued any invitation to the public to subscribe for any shares or debentures of the company; and, where the list of members discloses the fact that the number of members of the company exceeds fifty, also a certificate so signed that the excess consist wholly of persons who under this section are to be excluded in reckoning the number of fifty.

PART IV.

WINDING UP.

Preliminaries.

Modes of
winding up.

118.—(1) The winding up of a company may be either—

(a) by the Court; or

(b) voluntary; or

(c) subject to the supervision of the Court.

(2) The provisions of this Ordinance with respect to winding up apply, unless the contrary appears, to the winding up of a company in any of those modes.

Contributories.

Liability as
contri-
butories
of present
and past
members:

119.—(1) In the event of a company being wound up, every present and past member shall, subject to the provisions of this section, be liable to contribute to the assets of the company to an amount sufficient for payment of its debts and liabilities and the costs, charges, and expenses of the winding up, and for the adjustment of the rights of the contributories among themselves, with the qualifications following (that is to say):—

(a) a past member shall not be liable to contribute if he has ceased to be a member for one year or upwards before the commencement of the winding up;

- (b) a past member shall not be liable to contribute in respect of any debt or liability of the company contracted after he ceased to be a member;
- (c) a past member shall not be liable to contribute unless it appears to the court that the existing members are unable to satisfy the contribution required to be made by them in pursuance of this Ordinance;
- (d) in the case of a company limited by shares, no contribution shall be required from any member exceeding the amount, if any, unpaid on the shares in respect of which he is liable as a present or past member;
- (e) in the case of a company limited by guarantee, no contribution shall be required from any member exceeding the amount undertaken to be contributed by him to the assets of the company in the event of its being wound up;
- (f) nothing in this Ordinance shall invalidate any provision contained in any policy of insurance or other contract, whereby the liability of individual members on the policy or contract is restricted or whereby the funds of the company are alone made liable in respect of the policy or contract;
- (g) a sum due to any member of a company, in his character of a member, by way of dividends, profits, or otherwise, shall not be deemed to be a debt of the company, payable to that member in a case of competition between himself and any other creditor not a member of the company; but the sum may be taken into account for the purpose of the final adjustment of the rights of the contributories among themselves.

(2) In the winding up of a limited company, any director or manager, whether past or present, whose liability is in pursuance of this Ordinance unlimited, shall, in addition to his liability (if any) to contribute as an ordinary member, be liable to make a further contribution as if he were at the commencement of the winding up a member of an unlimited company:

Provided that—

- (i) a past director or manager shall not be liable to make the further contribution if he has ceased to

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hold office for a year or upwards before the commencement of the winding up :

- (ii) a past director or manager shall not be liable to make the further contribution in respect of any debt or liability of the company contracted after he ceased to hold office;
- (iii) subject to the articles of the company, a director or manager shall not be liable to make the further contribution unless the Court deems it necessary to require that contribution in order to satisfy the debts and liabilities of the company, and the costs, charges, and expenses of the winding up.

(3) In the winding up of a company limited by guarantee which has a share capital, every member of the company shall be liable, in addition to the amount undertaken to be contributed by him to the assets of the company in the event of its being wound up, to contribute to the extent of any sums unpaid on any shares held by him.

Definition of contributory.

120. The term "contributory" means everyone liable to contribute to the assets of a company in the event of its being wound up, and in all proceedings for determining, and in all proceedings prior to the final determination of, those who are to be deemed contributories, includes anyone alleged to be a contributory.

Nature of liability of contributory.

121. The liability of any person to contribute to the assets of a company under this Ordinance, in the event of its being wound up, shall be deemed to create a debt accruing due from that person at the time when his liability commenced, but payable at the time or respective times when calls are made, as hereinafter mentioned, for enforcing the liability; and in the event of the insolvency of any contributory the estimated value of his liability to future calls may be proved against his estate as well as calls already made.

Contributories in case of death.

122.—(1) If any contributory dies either before or after he has been placed on the list of contributories hereinafter mentioned, his heirs and executors shall be liable to contribute to the assets of the company in the discharge of the liability of the deceased contributory and shall be deemed to be contributories accordingly.

(2) In this section the term "executors" includes the Official Receiver in all cases in which the estate of a deceased contributory is being administered by him.

123. If any contributory becomes insolvent, either before or after he has been placed on the list of contributories, his estate shall be liable to the payment in due course of law of any moneys due from him in respect of his liability to contribute to the assets of the company being wound up.

Contributories in case of insolvency.

124.—(1) The husband of a female contributory married without antenuptial contract before the twentieth day of August, nineteen hundred and four, shall during the continuance of the marriage be liable, as respects any liability attaching to any shares acquired by her before that date, to contribute to the assets of the company the same sum as she would have been liable to contribute if she had not married, and he shall be a contributory accordingly.

Provision as to married women.

(2) Subject as aforesaid, nothing in this Ordinance shall affect the provisions of the Married Persons Property Ordinance.

Chapter 144.

Winding up by Court.

125. A company may be wound up by the Court—

- (a) if the company has by special resolution resolved that it be wound up by the Court;
- (b) if default is made in filing the statutory report or in holding the statutory meeting;
- (c) if the company does not commence its business within a year from its incorporation, or suspends its business for a whole year;
- (d) if the number of members is reduced, in the case of a private company, below two, or, in the case of any other company, below seven;
- (e) if the company is unable to pay its debts;
- (f) if the Court is of opinion that it is just and equitable that the company should be wound up.

When a company may be wound up by the Court.

126. A company shall be deemed to be unable to pay its debts—

- (a) if a creditor, by assignment or otherwise, to whom the company is indebted in a sum exceeding two hundred and forty dollars then due, has served

When a company deemed unable to pay its debts.

on the company, by leaving the same at its registered office, a demand under his hand requiring the company to pay the sum so due, and the company has for three weeks thereafter neglected to pay the sum, or to secure or compound for it to the reasonable satisfaction of the creditor; or

- (b) whenever execution or other process, issued on a judgement or order obtained in any court in favour of any creditor in any proceeding instituted by the creditor against the company, is returned unsatisfied in whole or in part; or
- (c) if it is proved to the satisfaction of the Court that the company is unable to pay its debts; and, in determining whether a company is unable to pay its debts, the Court shall take into account the contingent and prospective liabilities of the company.

Applications
for winding
up:

127.—(1) An application to the Court for the winding up of a company shall be by petition, presented, subject to the provisions of this section, either by the company or by any creditor or creditors (including any contingent or prospective creditor or creditors), contributory or contributors, or by all or any of those parties, together or separately:

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Provided that—

- (a) a contributory shall not be entitled to present a petition for winding up a company unless—
 - (i) either the number of members is reduced, in the case of a private company below two, or in the case of any other company below seven; or
 - (ii) the shares in respect of which he is a contributory, or some of them, either were originally allotted to him or have been held by him and registered in his name for at least six months during the eighteen months before the commencement of the winding up, or have devolved on him through the death of a former holder; and
- (b) a petition for winding up a company on the ground of default in filing the statutory report or in

holding the statutory meeting shall not be presented by any person except a shareholder, nor before the expiration of fourteen days after the last day on which the meeting ought to have been held; and

- (c) the Court shall not give a hearing to a petition for winding up a company by a contingent or prospective creditor until such security for costs as the Court thinks reasonable has been given and until a *prima facie* case for winding up has been established to the satisfaction of the Court.

(2) Where a company is being wound up voluntarily or subject to supervision, a petition may be presented by the official receiver attached to the Court, as well as by any other person authorised in that behalf under the other provisions of this section, but the Court shall not make a winding up order on the petition unless it is satisfied that the voluntary winding up or winding up subject to supervision cannot be continued with due regard to the interests of the creditors or contributories.

(3) Where under the provisions of this part of this Ordinance any person as being the husband of a female contributory is himself a contributory, and a share has during the whole or any part of the six months been held by or registered in the name of the wife, or by or in the name of a trustee for the wife or for the husband, the share shall, for the purposes of this section, be deemed to have been held by and registered in the name of the husband.

128. An order for winding up a company shall operate in favour of all the creditors and of all the contributories of the company as if it had been made on the joint petition of a creditor and of a contributory.

Effect of winding-up order.

129. A winding up of a company by the court shall be deemed to commence at the time of the presentation of the petition for the winding up.

Commencement of winding up by the Court.

130.—(1) The Court, at any time after the presentation of a petition for winding up a company under this Ordinance, and before making an order for winding up the company, on the application of the company or of any creditor

Staying proceedings against the company.

or contributory of the company, may restrain further proceedings in any action, suit, or proceedings against the company on such terms as the Court thinks fit.

(2) The Court may also, at any time after the presentation of the petition, appoint provisionally the Official Receiver as official liquidator of the estate and effects of the company.

Powers of Court on hearing petition.

131—(1) On hearing the petition the Court may dismiss it with or without costs, or adjourn the hearing conditionally or unconditionally, or make any interim order, or any other order that it deems just, but the Court shall not refuse to make a winding up order on the ground only that the assets of the company have been mortgaged to an amount equal to or in excess of those assets, or that the company has no assets.

(2) Where the petition is presented on the ground of default in filing the statutory report or in holding the statutory meeting, the Court may order the costs to be paid by any persons who, in the opinion of the Court, are responsible for the default.

Actions stayed on winding-up order.

132. When a winding up order has been made, no action or proceeding shall be proceeded with or commenced against the company except by leave of the Court and subject to any terms imposed by the Court.

Copy of order to be sent to registrar.

133. When a winding up order is made, a copy of it must forthwith be sent by the company to the registrar, who shall make a minute thereof in his books relating to the company.

Court may stay winding-up.

134. The Court may at any time after an order for winding up has been made, on the application of any creditor or contributory and on proof to the satisfaction of the Court that all proceedings in relation to the winding up ought to be stayed, make an order staying the proceedings, either altogether or for a limited time, on any terms and conditions the Court thinks fit.

Court may have regard to wishes of creditors or contributors.

135.—(1) The Court, as to all matters relating to a winding up, may have regard to the wishes of the creditors or contributories as proved to it by any sufficient evidence, and the Court, if it thinks fit, for the purpose of ascertaining those wishes, may direct meetings of the creditors or

contributories to be called, held, and conducted in manner directed by the Court, and may appoint a person to act as chairman at any of those meetings and report the result thereof to the Court.

(2) In the case of creditors regard shall be had to the value of each creditor's debt, and in the case of contributories to the number of votes conferred on each contributory by the articles.

Official Receiver and Liquidators.

136.—(1) On an order being made by the Court for winding up a company the Official Receiver shall by virtue of his office become the provisional liquidator of the company and shall continue to act in that capacity until he or another person becomes liquidator and is capable of so acting.

Provisions as to liquidator.

(2) When a person other than the Official Receiver is appointed liquidator of a company he shall be styled liquidator and not official liquidator of the company; he shall not be capable of acting as liquidator until he has notified his appointment to the Registrar and given security in the manner prescribed to the satisfaction of the Court, and he shall give the Official Receiver such information and such access to and facilities for inspecting the books and documents of the company, and generally such aid, as may be necessary to enable that officer to perform his duties under this Ordinance.

(3) If any vacancy occurs in the office of liquidator of a company, the Official Receiver shall by virtue of his office be the liquidator during the vacancy.

(4) Where an application is made to the Court to appoint a receiver on behalf of the debenture holders or other creditors of a company the Official Receiver may be so appointed.

(5) The Official Receiver may require payment of the fees specified in the fourth schedule hereto in respect of the several matters therein enumerated arising on proceedings for winding up companies and associations under the provisions of this Ordinance.

Fourth schedule.

137.—(1) Where the Official Receiver becomes the liquidator of a company, whether provisionally or otherwise, he may, if satisfied that the nature of the estate or business of the company, or the interests of the creditors

Power to appoint special manager.

or contributories generally, require the appointment of a special manager of the estate or business of the company other than himself, apply to the Court to, and the Court may on the application, appoint a special manager thereof during such time as the Court directs with the powers, including any of the powers of a receiver or manager entrusted to him by the Court.

(2) The special manager shall give security and account in manner directed by the Court and receive the remuneration fixed by the Court.

Meetings of
creditors and
contri-
butories.

138.—(1) When the Court has made an order for winding up a company, the Official Receiver shall summon separate meetings of the creditors and contributories of the company for the purpose of—

- (a) determining whether or not an application is to be made to the Court for appointing a liquidator in the place of the Official Receiver; and
- (b) determining whether or not an application is to be made to the Court for the appointment of a committee of inspection to act with the liquidator, and who are to be the members of that committee if appointed.

(2) The Court may make any appointment and order required to give effect to the determination, and if there is a difference between the determinations of the meetings of the creditors and contributories in respect of any of the matters mentioned in the foregoing provisions the Court shall decide the difference and make such order thereon as the Court thinks fit.

Fifth
schedule.

(3) The provisions of the fifth schedule hereto shall, subject to any modifications made therein by general rules, apply to any meeting summoned in pursuance of this section.

(4) In case a liquidator is not appointed by the Court, the Official Receiver shall be the liquidator of the company.

Statement
of company's
affairs.

139.—(1) Where the Court has made an order for winding up a company, there shall be made out and submitted to the Official Receiver a statement as to the affairs of the company in the prescribed form, verified by affidavit, and showing the particulars of the assets, debts and liabilities of the company, the names, residences, and occupations of the creditors of the company, the securities held by them

respectively, the dates when the securities were respectively given, and such further or other information as is prescribed or as required by the Official Receiver.

(2) The statement shall be submitted and verified by two or more of the persons who are at the time of the winding up officers or directors and by the person who is at that time the secretary or other chief officer of the company, or by those of the persons who are being or have been directors or officers of the company or have taken part in the formation of the company at any time within one year before the order for winding up the company, whom the Official Receiver, subject to the direction of the Court, requires to submit and verify the statement.

(3) The statement shall be submitted within fourteen days from the date of the order, or within such extended time as for special reasons the Official Receiver or the Court appoints.

(4) Anyone making or concurring in making the statement and affidavit required by this section shall be allowed and shall be paid by the Official Receiver out of the assets of the company the costs and expenses incurred in and about the preparation and making of such statement and affidavit which the Official Receiver considers reasonable, subject to an appeal to the Court.

(5) If anyone, without reasonable excuse, makes default in complying with the requirements of this section, he shall be liable to a fine not exceeding fifty dollars for every day during which the default continues. Penalty.

(6) Anyone stating himself in writing to be a creditor or contributory of the company shall be entitled by himself or by his agent at all reasonable times, on payment of the prescribed fee, to inspect the statement submitted in pursuance of this section, and to a copy thereof or extract therefrom; but anyone untruthfully so stating himself to be a creditor or contributory shall be guilty of a contempt of court and shall be punishable accordingly, on the application of the liquidator or the Official Receiver.

140.—(1) Where the Court has made an order for winding up a company, the Official Receiver shall, as soon as practicable after receipt of the statement of the company's affairs, submit a preliminary report to the Court—

(a) as to the amount of capital issued, subscribed, and paid up, and the estimated amount of assets and liability; and

Report on winding-up and proceedings thereupon.

- (b) if the company has failed, as to the causes of the failure; and
- (c) whether in his opinion further inquiry is desirable as to any matter relating to the promotion, formation, or failure of the company or the conduct of the business thereof.

(2) The Official Receiver may also, if he thinks fit, make a further report or further reports stating the manner in which the company was formed and whether in his opinion any fraud has been committed by any person in the promotion or formation of the company, or by any director or other officer of the company, in relation to the company since the formation thereof, and any other matters which in his opinion it is desirable to bring to the notice of the Court.

Committee of inspection.

141.—(1) A committee of inspection appointed in pursuance of this Ordinance shall consist of persons who are creditors or contributories of the company, or hold general powers of attorney from those persons, in the proportions determined by the meetings of creditors and contributories, or, in case of difference, determined by the Court.

(2) The committee of inspection shall meet when they from time to time appoint and, failing the appointment, at least once a month; and the liquidator or any member of the Committee may also call a meeting of the committee as and when he thinks necessary.

(3) The committee may act by a majority of their members present at a meeting, but shall not act unless a majority of the committee is present at the meeting.

(4) Any member of the committee may resign his office by notice in writing signed by him and delivered to the liquidator.

(5) If a member of the committee becomes insolvent, or compounds or arranges with his creditors, or is absent from five consecutive meetings of the committee without the leave of those members of the committee who together with himself represent the creditors or contributories, as the case may be, his office shall thereupon become vacant.

(6) (a) Any member of the committee representing creditors may be removed by an ordinary resolution at any meeting of creditors of which seven days' notice has been given, stating the object of the meeting.

(b) Any member of the committee representing contributories may be removed by an ordinary resolution at any meeting of contributories of which seven days' notice has been given, stating the object of the meeting.

(7) On a vacancy occurring in the office of a member of the committee, the liquidators shall forthwith summon a meeting of creditors or of contributories, as the case may require, for the purpose of filling the vacancy, and the meeting may by resolution reappoint the same or appoint another creditor or contributory to fill the vacancy.

(8) The continuing members of the committee, provided there be not less than two continuing members, may act notwithstanding any vacancy in their body.

(9) If there is no committee of inspection, any act or thing, or any direction or permission, by this Ordinance authorised or required to be done or given by the committee may be done or given by the Court on the application of the liquidator.

142.—(1) Every liquidator of a company which is being wound up by order of the Court shall keep a separate account with a bank determined by the Court, and shall, subject to the directions of the Court, pay all moneys received by him as liquidator into that bank to that account and make all payments therefrom.

Banking
account of
liquidator.

(2) If the liquidator at any time retains in his hands for more than three days any sum exceeding the amount, if any, authorised by the Court to be retained, then unless he explains the retention to the satisfaction of the Court he shall pay interest on the amount so retained in excess at the rate of twenty per centum per annum and shall be liable to be removed from being liquidator and to pay any expenses occasioned by his default.

(3) No liquidator of a company which is being wound up by order of the Court shall pay any sums received by him as liquidator into his private banking account.

143.—(1) The liquidator in a winding up by the Court shall have power, with the sanction either of the Court or of the committee of inspection,—

Powers of
liquidator.

(a) to bring or defend any action or other legal proceeding in the name and on behalf of the company;

- (b) to carry on the business of the company so far as may be necessary for the beneficial winding-up thereof;
 - (c) to employ a solicitor or other agent to take any proceedings or do any business which the liquidator is unable to take or do himself; but the sanction in that case must be obtained before the employment except in cases of urgency, and in cases of urgency it must be shown that no undue delay took place in obtaining the sanction.
- (2) The liquidator in a winding up by the Court shall have power—
- (a) to sell the movable and immovable property and things in action of the company, by public auction or private contract, with power to transfer the whole thereof to any person or company or sell the same in parcels;
 - (b) to do all acts and to execute, in the name and on behalf of the company, all deeds, receipts, and other documents, and for that purpose to use when necessary the company's seal;
 - (c) to prove, rank, and claim in the bankruptcy, insolvency, or sequestration of any contributory for any balance against his estate, and to receive dividends in the bankruptcy, insolvency, or sequestration in respect of that balance, as a separate debt due from the bankrupt or insolvent, and rateably with the other separate creditors;
 - (d) To draw, accept, make, and indorse any bill of exchange or promissory note in the name and on behalf of the company, with the same effect with respect to the liability of the company as if the bill or note had been drawn, accepted, made, or indorsed by or on behalf of the company in the course of its business;
 - (e) to raise on the security of the assets of the company any money requisite;
 - (f) to take out in his official name letters of administration to any deceased contributory, and to do in his official name any other act necessary for obtaining payment of any money due from a contributory or his estate which cannot be conveniently done in the name of the company;

and in all those cases the money due shall, for the purpose of enabling the liquidator to take out the letters of administration or recover the money, be deemed to be due to the liquidator himself;

(g) to do all other things necessary for winding up the affairs of the company and distributing its assets.

(3) The exercise by the liquidator of the powers conferred by this section shall be subject to the control of the Court, and any creditor or contributory may apply to the Court with respect to any exercise or proposed exercise of any of those powers.

(4) Where a liquidator is provisionally appointed by the Court, the Court may limit and restrict his powers by the order appointing him.

144.—(1) Every liquidator of a company which is being wound up by order of the Court shall, at the prescribed times, but not less than twice in each year during his tenure of office, send to the registrar of the Court an account of his receipts and payments as liquidator.

Audit of
liquidator's
accounts.

(2) The account shall be in a prescribed form and be verified by a statutory declaration in the prescribed form.

(3) The account so sent shall be audited by the accountant of court and for the purpose of the audit the liquidator shall furnish the accountant with the vouchers and information required by the accountant, and the accountant may at any time require the production of and inspect any books or accounts kept by the liquidator.

(4) When the account has been audited it shall be filed in the Court and shall be open to inspection of any creditor or person interested.

(5) The registrar of the Court shall cause the account, or a summary thereof, when audited to be printed and shall send a printed copy thereof by post to every creditor or contributory.

145. Every liquidator of a company which is being wound up by order of the Court shall keep in manner prescribed proper books, in which he shall from time to time cause to be made entries or minutes of proceedings at meetings and of any other matters prescribed, and any creditor

Books to be
kept by
liquidator.

or contributory of the company may, subject to the control of the Court, personally or by his agent inspect any of those books.

146.—(1) When the liquidator of a company which is being wound up by order of the Court has realised all the property of the company, or so much thereof as, in his opinion, can be realised without needlessly protracting the liquidation, and has distributed a final dividend, if any, to the creditors, and adjusted the rights of the contributories between themselves, and made a final return, if any, to the contributories, or has resigned, or has been removed from his office, the Court shall, on his application, cause a report on his accounts to be prepared by the accountant of court, and, on his complying with all the requirements of the accountant, shall take into consideration the report and any objection urged by any creditor, or contributory, or person interested, against the release of the liquidator, and shall either grant or withhold the release accordingly.

(2) Where the release of a liquidator is withheld the Court may, on the application of any creditor, or contributory, or person interested, make such order as it thinks just, charging the liquidator with the consequences of any act or default he may have done or made contrary to his duty.

(3) An order of the Court releasing the liquidator shall discharge him from all liability in respect of any act done or default made by him in the administration of the affairs of the company or otherwise in relation to his conduct as liquidator, but the order may be revoked on proof that it was obtained by fraud or by suppression or concealment of any material fact.

(4) Where a liquidator has not previously resigned or been removed, his release shall operate as a removal of him from his office.

Discretionary powers of liquidator and control thereof.

147.—(1) Subject to the provisions of this Ordinance the liquidator of a company which is being wound up by order of the Court, shall, in the administration of the property of the company and in the distribution thereof amongst its creditors, have regard to any directions given by resolution of the creditors or contributories at any general meeting, or by the committee of inspection, and any directions so given by the creditors or contributories

at any general meeting shall in case of conflict be deemed to override any directions given by the committee of inspection.

(2) The liquidator may from time to time summon general meetings of the creditors or contributories for the purpose of ascertaining their wishes, and it shall be his duty to summon meetings at such times as the creditors or contributories by resolution, either at the meeting appointing the liquidator or otherwise, direct, or whenever requested in writing to do so by one tenth in value of the creditors or contributories, as the case may be.

(3) The liquidator may apply to the Court in manner prescribed for direction in relation to any particular matter arising under the winding up.

(4) Subject to the provisions of this Ordinance, the liquidator shall use his own discretion in the management of the estate and its distribution among the creditors.

148. Anyone aggrieved by any act or decision of the liquidator of a company which is being wound up by order of the Court may apply to the Court, and the Court may confirm, reverse, or modify the act or decision complained of, and make any order in the premises it thinks just.

Appeal to
Court
against
liquidator.

149.—(1) The Court shall take cognisance of the conduct of liquidators of companies which are being wound up by order of the Court, and in the event of any liquidator not faithfully performing his duties and duly observing all the requirements imposed on him by statute, rules, or otherwise with respect to the performance of his duties, or in the event of any complaint being made to the Court by any creditor or contributory in regard thereto, the Court shall inquire into the matter and take any action thereon it deems expedient.

Control of
Court over
liquidator.

(2) The Court may at any time require any liquidator of a company which is being wound up by order of the Court to answer any inquiry made by the Court in relation to any winding up in which the liquidator is engaged, and may, if the Court think fit, examine on oath the liquidator or any other person concerning the winding-up.

(3) The Court may also direct a local investigation to be made of the books and vouchers of the liquidator of any company which is being wound up by order of the Court.

Meaning of
"winding-up
by order of
the court."

150. For the purposes of sections one hundred and thirty-six to one hundred and forty-four of this Ordinance (both inclusive) a company shall not be deemed to be wound up by order of the Court if the order is to continue a winding-up under the supervision of the Court.

Appointment
of liquidator.

151.—(1) For the purpose of conducting the proceedings in winding up a company and assisting the Court therein there may be appointed a person or persons to be called a liquidator or liquidators, and the Court may appoint the person or persons it thinks fit to the office of liquidator or liquidators.

(2) In all cases, if more persons than one are appointed to that office, the Court shall direct whether any act hereby required or authorised to be done by the liquidator is to be done by all or any one or more of those persons.

(3) If the Official Receiver is appointed or becomes liquidator in any case he shall be styled the official liquidator, but the provisions hereinafter contained as to liquidators shall unless otherwise provided apply to the official liquidator though not specified therein.

(4) The acts of a liquidator shall be valid notwithstanding any defects that may afterwards be discovered in his appointment or qualification.

Resignation,
removal,
filling up
vacancy and
compensa-
tion.

152.—(1) A liquidator other than the official liquidator may resign or a liquidator may be removed by the Court on due cause shown.

(2) Any vacancy in the office of a liquidator appointed by the Court shall be filled by the Court.

(3) There shall be paid to the liquidator (not being the official liquidator) such salary or remuneration by way of percentage or otherwise as the Court may direct; and if more liquidators than one are appointed, the remuneration shall be distributed amongst them in the proportions directed by the Court.

Style and
duties of
liquidator.

153.—(1) The liquidator or liquidators shall be described by the style of the liquidator, or official liquidator, or liquidators, of the particular company in respect of which he is or they are appointed and not by his or their individual name or names.

(2) He or they shall take into his or their custody, or under his or their control, all the property, effects, and things in action to which the company is or appears to be entitled, and shall perform the duties in reference to the winding-up of the company imposed by the Court.

154.—(1) The liquidator, with the sanction either of the Court or of the committee of inspection, may do the following things or any of them:—

Powers of liquidator with sanction of Court or committee of inspection.

- (a) pay any classes of creditors in full;
- (b) make any compromise or arrangement with creditors or persons claiming to be creditors, or having or alleging themselves to have any claim, present or future, certain or contingent, ascertained or sounding only in damages, against the company, or whereby the company may be rendered liable;
- (c) compromise, on such terms as may be agreed, all calls and liabilities to calls, debts, and liabilities capable of resulting in debts, and all claims, present or future, certain or contingent, ascertained or sounding only in damages, subsisting or supposed to subsist between the company and a contributory or alleged contributory, or other debtor or persons apprehending liability to the company, and all questions in any way relating to or affecting the assets or the winding up of the company, and take any security for the discharge of any of those calls, debts, liabilities, or claims, and give a complete discharge in respect thereof

(2) The exercise by the liquidator of the powers given by this section shall be subject to the control of the Court, and any creditor or contributory may apply to the Court with respect to any exercise or proposed exercise of any of those powers.

(3) The Court may provide by any order that the liquidator may exercise any of the above powers without the sanction or intervention of the Court.

Discretion of liquidator.

Ordinary Powers of Court.

155.—(1) As soon as may be after making a winding-up order, the Court shall settle a list of contributories, with power to rectify the register of members in all cases where

Settlement of list of contributories and application of assets.

rectification is required in pursuance of this Ordinance, and shall cause the assets of the company to be collected, and applied in discharge of its liabilities.

(2) In settling the list of contributories, the Court shall distinguish between persons who are contributories in their own right and persons who are contributories as being representatives of or liable to the debts of others.

Delivery of
property.

156. The Court may, at any time after making a winding-up order, require any contributory for the time being settled on the list of contributories, and any trustee, receiver, banker, agent, or officer of the company, to pay, deliver, convey, surrender, or transfer to the liquidator forthwith, or within the time the Court directs, any money, property, or books and papers in his hands to which the company is *primâ facie* entitled.

Order for
payment of
debts by con-
tributory.

157.—(1) The Court may, at any time after making a winding-up order, make an order on any contributory, for the time being settled on the list of contributories, to pay, in manner directed by the order, any money due from him, or from the estate of the person whom he represents, to the company, exclusive of any money payable by him or from the estate by virtue of any call in pursuance of this Ordinance.

(2) The Court in making the order may, in the case of an unlimited company, allow to the contributory by way of set-off any money due to him or to the estate which he represents from the company on any independent dealing or contract with the company, but not any money due to him as a member of the company in respect of any dividend or profit; and may, in the case of a limited company, make to any director or manager whose liability is unlimited or to his estate the like allowance.

(3) But in the case of any company, whether limited or unlimited, when all the creditors are paid in full, any money due on any account whatever to a contributory from the company may be allowed to him by way of set-off against any subsequent call.

Calls by
the Court.

158.—(1) The Court may, at any time after making a winding-up order, and either before or after it has ascertained the sufficiency of the assets of the company, make calls on and order payment thereof by all or any of the

contributories for the time being settled on the list of contributories to the extent of their liability, for payment of any money which the Court considers necessary to satisfy the debts and liabilities of the company and the costs, charges, and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

(2) In making a call the Court may take into consideration the probability that some of the contributories may partly or wholly fail to pay the call.

159.—(1) The Court may order any contributory, purchaser, or other person from whom money is due to the company, to pay it into any bank to the account of the liquidator instead of to the liquidator, and the order may be enforced in the same manner as if it had directed payment to the liquidator.

Order for
payment
into bank.

(2) All moneys and securities paid or delivered into any bank in the event of a winding-up by the Court shall be subject in all respects to the orders of the Court.

160.—(1) An order made by the Court on a contributory shall (subject to any right of appeal) be conclusive evidence that the money, if any, thereby appearing to be due or ordered to be paid is due.

Order on con-
tributory
conclusive
evidence.

(2) All other pertinent matters stated in the order shall be taken to be truly stated as against all persons and in all proceedings, except proceedings against the real estate of a deceased contributory, when the order shall be only *prima facie* evidence for the purpose of charging his real estate, unless his heirs or devisees were on the list of contributories at the time of the order being made.

161. The Court may fix a time or times within which creditors are to prove their debts or claims, or to be excluded from the benefit of any distribution made before those debts are proved.

Exclusion of
creditors
not proving
in time.

162. The Court shall adjust the rights of the contributories among themselves and distribute any surplus among the persons entitled thereto.

Adjustment
of rights of
contri-
butories.

163. The Court may, in the event of the assets being insufficient to satisfy the liabilities, make an order as to the payment out of the assets of the costs, charges, and expenses incurred in the winding-up in the order of priority the Court thinks just.

Order for
costs.

Dissolution
of company.

164.—(1) When the affairs of a company have been completely wound up, the Court shall make an order that the company be dissolved from the date of the order, and the company shall be dissolved accordingly.

(2) The order shall be reported by the liquidator to the registrar who shall make in his books a minute of the dissolution of the company.

(3) If the liquidator makes default in complying with the requirements of this section he shall be liable to a fine not exceeding twenty-four dollars for every day during which he is in default.

Penalty.

Delegation
to liquidator
of certain
powers of
Court :

165. General rules may be made for enabling or requiring all or any of the powers and duties conferred and imposed on the Court by this Ordinance in respect of the matters following to be exercised or performed by the liquidator, as an officer of the Court and subject to the control of the Court; that is to say, the powers and duties of the Court in respect of—

- (a) holding and conducting meetings to ascertain the wishes of creditors and contributories;
- (b) settling lists of contributories, and rectifying the register of members where required, and collecting and applying the assets;
- (c) requiring delivery of property or documents to the liquidator;
- (d) making calls;
- (e) fixing the time within which debts and claims must be proved :

Proviso.

Provided that the liquidator shall not, without the special leave of the Court, rectify the register of members, and shall not make any call without either the special leave of the Court or the sanction of the committee of inspection.

Cost in
actions by
certain
limited
companies.

166. Where a limited company is plaintiff or pursuer in any action or other legal proceeding, any judge having jurisdiction in the matter, if it appears by credible testimony that there is reason to believe that the company will be unable to pay the costs of the defendant if successful in his defence, may require sufficient security to be given for those costs and may stay all proceedings until the security is given.

Power of
Court to
grant relief
in certain
cases.

167. If in any proceeding against a director, or person occupying the position of director, of a company for negligence or breach of trust it appears to the Court hearing the

cause that the director or person is or may be liable in respect of the negligence or breach of trust, but has acted honestly and reasonably and ought fairly to be excused for the negligence or breach of trust, that Court may relieve him, either wholly or partly, from his liability on any terms the Court thinks proper.

Extraordinary Powers of Court.

168.—(1) The Court, after it has made a winding-up order, may summon before it any officer of the company or person known or suspected to have in his possession any property of the company or supposed to be indebted to the company, or anyone whom the Court deems capable of giving information concerning the trade, dealings, affairs, or property of the company.

Summoning persons suspected of having property of company.

(2) The Court may examine him on oath concerning the matter, either by word of mouth or on written interrogatories, and reduce his answers to writing and require him to sign them.

(3) The Court may require him to produce any books and papers in his custody or power relating to the company; but, where he claims any lien on books or papers produced by him, the production shall be without prejudice to that lien, and the Court shall have jurisdiction in the winding-up to determine all questions relating to that lien.

(4) If anyone so summoned, after being tendered a reasonable sum for his expenses, refuses to come before the Court at the time appointed, not having a lawful impediment (made known to the Court at the time of its sitting and allowed by it), the Court may cause him to be apprehended and brought before it for examination.

169.—(1) When an order has been made for winding up a company by the Court and the Official Receiver has made a further report under this Ordinance, stating that in his opinion a fraud has been committed by anyone in the promotion or formation of the company, or by any director or other officer of the company in relation to the company since its formation, the Court may, after consideration of the report, direct that anyone who has taken any part in the promotion or formation of the company or has been a director or officer of the company, shall attend before the Court, on a day appointed by the Court

Order for public examination of promoters, directors, or others :

for that purpose, and be publicly examined as to the promotion or formation or the conduct of the business of the company, or as to his conduct and dealings as director or officer thereof.

(2) The Official Receiver shall take part in the examination, and for that purpose may, if specially authorised by the Governor in Council in that behalf, employ a solicitor with or without counsel.

(3) The liquidator where the Official Receiver is not the liquidator, and any creditor or contributory, may also take part in the examination either personally or by solicitor or counsel.

(4) The Court may put any questions to the person examined the Court thinks fit.

(5) The person examined shall be examined on oath, and shall answer all the questions the Court puts or allows to be put to him.

(6) A person ordered to be examined under this section shall, at his own cost before his examination, be furnished with a copy of the Official Receiver's report, and may at his own cost employ a solicitor with or without counsel, who shall be at liberty to put to him any questions the Court deems just for the purpose of enabling him to explain or qualify any answers given by him :

Proviso.

Provided that if he is, in the opinion of the Court, exculpated from any charges made or suggested against him, the Court may allow him such costs as in its discretion it thinks fit.

(7) Notes of the examination shall be taken down in writing, and shall be read over to or by, and signed by, the person examined, and may thereafter be used in evidence against him and shall be open to the inspection of any creditor or contributory at all reasonable times.

(8) The Court may, if it thinks fit, adjourn the examination from time to time.

(9) A public examination under this section may, if the Court so directs and subject to general rules, be held before the registrar, and the powers of the Court as to the conduct of the examination (but not as to costs) may be exercised by him.

Arrest of
absconding
contributory.

170. The Court, at any time either before or after making a winding-up order, on proof of probable cause for believing that a contributory is about to quit the colony

or otherwise to abscond, or to remove or conceal any of his property for the purpose of evading payment of calls, or of avoiding examination respecting the affairs of the company, may cause the contributory to be arrested and his books and papers and movable personal property to be seized, and him and them to be safely kept until the time ordered by the Court.

171. The powers by this Ordinance conferred on the Court shall be in addition to, and not in restriction of, any existing powers of instituting proceedings against any contributory or debtor of the company, or the estate of any contributory or debtor, for the recovery of any call or other sums.

Powers of court cumulative.

Swearing of Affidavits.

172.—(1) Any affidavit required to be sworn under the provisions or for the purposes of Part IV of this Ordinance may be lawfully sworn in the United Kingdom, or in any colony or place under the dominion of His Majesty, before any court, judge, or person lawfully authorised to take and receive affidavits, or before any of his Majesty's consuls or vice-consuls in any foreign parts out of his Majesty's dominions.

Where and before whom affidavit may be sworn.

(2) All courts, judges, magistrates, justices, commissioners, and persons acting judicially shall take judicial notice of the seal or stamp or signature, as the case may be, of any of those courts, judges, persons, consuls, or vice-consuls, attached, appended, or subscribed to the affidavit, or to any other document to be used for the purpose of this Ordinance.

Appeal from Order of the Court.

173. All orders made by the Court under this Ordinance may be enforced in the same manner in which orders of the Court made in any suit pending therein may be enforced; but any party feeling aggrieved by any order made under the provisions of this or of any other Part, by any judge may, within fourteen days from the date of the order, and on giving security for costs in appeal to the extent of fifty dollars, appeal from the order by petition to the Supreme Court, and that Court may thereupon confirm, discharge, or vary the order in any manner to it seeming meet.

Enforcement of order, but subject to appeal.

Voluntary Winding-up.

When company may be wound up voluntarily.

- 174.** A company may be wound up voluntarily—
- (a) when the period (if any) fixed for the duration of the company by the articles expires, or the event (if any) occurs on the occurrence of which the articles provide that the company is to be dissolved, and the company in general meeting has passed a resolution requiring the company to be wound up voluntarily;
 - (b) if the company resolves by special resolution that the company be wound up voluntarily.

Commencement of voluntary winding-up.

175. A voluntary winding-up shall be deemed to commence at the time of the passing of the resolution authorising the winding-up.

Effect of voluntary winding-up on status of company :

176. When a company is wound up voluntarily the company shall, from the commencement of the winding-up, cease to carry on its business, except so far as may be required for the beneficial winding-up thereof :

Proviso.

Provided that the corporate state and corporate powers of the company shall, notwithstanding anything to the contrary in its articles, continue until it is dissolved.

Notice of resolution to wind-up voluntarily.

177. When a company has resolved by special or extraordinary resolution to wind-up voluntarily, it shall give notice of the resolution by advertisement in the Gazette.

Consequences of voluntary winding-up.

178. The following consequences shall ensue on the voluntary winding-up of a company—

- (a) the property of the company shall be applied in satisfaction of its liabilities *pari passu* and, subject thereto, shall, unless the articles otherwise provide, be distributed among the members according to their rights and interests in the company;
- (b) The company in general meeting shall appoint one or more liquidators for the purpose of winding-up the affairs and distributing the assets of the company, and may fix the remuneration to be paid to him or them;
- (c) on the appointment of a liquidator all the powers of the directors shall cease, except so far as the company in general meeting or the liquidator sanctions the continuance thereof;

- (d) the liquidator may, without the sanction of the Court, exercise all powers by this Ordinance given to the liquidator in a winding-up by the Court;
- (e) the liquidator may exercise the powers of the Court under this Ordinance of settling a list of contributories, and of making calls, and shall pay the debts of the company and adjust the rights of the contributories among themselves;
- (f) The list of contributories shall be *prima facie* evidence of the liability of the persons named therein as contributories;
- (g) when several liquidators are appointed, every power hereby given may be exercised by such one or more of them as is determined at the time of their appointment, or, in default of that determination, by any number not less than two;
- (h) if from any cause whatever there is no liquidator acting, the Court may on the application of a contributory appoint a liquidator;
- (i) the Court may on cause shown remove a liquidator and appoint another liquidator.

179.—(1) The liquidator in a voluntary winding-up, within twenty-one days after his appointment, shall file with the registrar a notice of his appointment.

Notice by liquidator of his appointment.

(2) A liquidator who fails to comply with the requirements of this section shall be liable to a fine not exceeding twenty-four dollars for every day during which the default continues.

Penalty.

180.—(1) Every liquidator appointed by a company in a voluntary winding-up shall, within seven days from his appointment, send notice by post to all persons who appear to him to be creditors of the company that a meeting of the creditors of the company will be held on a date, not being less than fourteen nor more than twenty-one days after his appointment, and at a place and hour, to be specified in the notice, and shall also advertise notice of the meeting once in the Gazette and once at least in two local newspapers circulating in the district where the registered office or principal place of business of the company was situate.

Rights of creditors in a voluntary winding-up.

(2) At the meeting to be held in pursuance of the foregoing provisions of this section the creditors shall

determine whether an application shall be made to the Court for the appointment of any person as liquidator in the place of or jointly with the liquidator appointed by the company, or for the appointment of a committee of inspection, and, if the creditors so resolve, an application may be made accordingly to the Court at any time, not later than fourteen days after the date of the meeting, by any creditor appointed for the purpose at the meeting.

(3) On the application the Court may make an order either for the removal of the liquidator appointed by the company and for the appointment of some other person as liquidator, or for the appointment of some other person to act as liquidator jointly with the liquidator appointed by the company, or for the appointment of a committee of inspection either together with or without the appointment of a liquidator, or any other order which, having regard to the interest of the creditors and contributories of the company, seems just.

(4) No appeal shall lie from any order of the Court upon an application under this section.

(5) The Court shall make any order as to the costs of the application it thinks fit, and if it is of opinion that, having regard to the interests of the creditors in the liquidation, there were reasonable grounds for the application, may order the costs of the application to be paid out of the assets of the company, notwithstanding that the application is dismissed or otherwise disposed of adversely to the applicant.

Power to fill
vacancy in
office of
liquidator.

181.—(1) If a vacancy occurs by death, resignation, or otherwise in the office of liquidator appointed by the company in a voluntary winding-up, the company in general meeting may, subject to any arrangement with its creditors, fill the vacancy.

(2) For that purpose a general meeting may be convened by any contributory or, if there were more liquidators than one, by the continuing liquidators.

(3) The meeting shall be held in manner prescribed by the articles, or in such manner as is, on application by any contributory or by the continuing liquidators, determined by the Court.

Delegation
of authority
to appoint
liquidators.

182.—(1) A company about to be, or in course of being, wound up voluntarily may, by extraordinary resolution, delegate to its creditors, or to any committee of them, the

power of appointing liquidators, or any of them, and of supplying vacancies among the liquidators, or enter into any arrangement with respect to the powers to be exercised by the liquidators and the manner in which they are to be exercised.

(2) Any act done by creditors in pursuance of the delegated powers shall have the same effect as if it had been done by the company.

183.—(1) Any arrangement entered into between a company about to be, or in the course of being, wound up voluntarily and its creditors shall, subject to any right of appeal under this section, be binding on the company if sanctioned by an extraordinary resolution, and on the creditors if acceded to by three-fourths in number and value of the creditors.

Arrange-
ment when
binding on
creditors.

(2) Any creditor or contributory may, within three weeks from the completion of the arrangement, appeal to the Court against it, and the Court may thereupon, as it thinks just, amend, vary, or confirm the arrangement.

184.—(1) Where a company is proposed to be, or is in course of being wound up altogether voluntarily, and the whole or part of its business or property is proposed to be transferred or sold to another company (in this section called the transferee company), the liquidator of the first-mentioned company (in this section called the transferor company) may, with the sanction of a special resolution of that company, conferring either a general authority on the liquidator or an authority in respect of any particular arrangement, receive in compensation or part compensation for the transfer or sale, shares, policies, or other like interests in the transferee company, for distribution among the members of the transferor company, or may enter into any other arrangement whereby the members of the transferor company may, in lieu of receiving cash, shares, policies, or other like interests, or in addition thereto, participate in the profits of or receive any other benefit from the transferee company.

Power of
liquidator
to accept
shares as
consideration
for sale of
property of
company.

(2) Any sale or arrangement in pursuance of this section shall be binding on the members of the transferor company.

(3) If any member of the transferor company who did not vote in favour of the special resolution at either of the meetings held for passing and confirming it expresses his

dissent therefrom in writing addressed to the liquidator, and left at the registered office of the company within seven days after the confirmation of the resolution, he may require the liquidator either to abstain from carrying the resolution into effect, or to purchase his interest at a price to be determined by agreement or by arbitration in manner provided by this section.

(4) If the liquidator elects to purchase the member's interest, the purchase money must be paid before the company is dissolved and be raised by the liquidator in the manner determined by special resolution.

(5) A special resolution shall not be invalid for the purposes of this section by reason that it is passed before or concurrently with a resolution for winding up the company, or for appointing liquidators,; but, if an order is made within a year for winding up the company by or subject to the supervision of the Court, the special resolution shall not be valid unless sanctioned by the Court.

(6) For the purposes of an arbitration under this section the provisions of the Companies Clauses and Powers Consolidation Ordinance, 1877, sections one hundred and sixty to one hundred and sixty-five inclusive, with respect to the settlement of disputes by arbitration, shall be incorporated with this Ordinance; and in the construction of those provisions this Ordinance shall be deemed to be the special Ordinance, and "the company" shall mean the transferor company, and any appointment by the incorporated provisions directed to be made under the hand of the secretary, or any two of the directors, may be made under the hand of the liquidator, or, if there is more than one liquidator, then of any two or more of the liquidators.

Power to
apply to
court.

185.—(1) Where a company is being wound up voluntarily the liquidator or any contributory or creditor may apply to the Court to determine any question arising in the winding-up, or to exercise, as respects the enforcing of calls or any other matter, all or any of the powers which the Court might exercise if the company were being wound up by the Court.

(2) The Court, if satisfied that the determination of the question or the required exercise of power will be just and beneficial, may accede wholly or partially to the application on such terms and conditions as the Court thinks fit, or may make any other order on the application the Court thinks just.

186.—(1) Where a company is being wound up voluntarily, the liquidator may summon general meetings of the company for the purpose of obtaining the sanction of the company by special or extraordinary resolution, or for any other purposes he thinks fit.

Power of liquidator to call general meeting.

(2) In the event of the winding-up continuing for more than one year, the liquidator shall summon a general meeting of the company at the end of the first year from the commencement of the winding-up, and of each succeeding year, or as soon thereafter as may be convenient, and shall lay before the meeting an account of his acts and dealings and of the conduct of the winding-up during the preceding year.

187.—(1) In the case of every voluntary winding-up, as soon as the affairs of the company are fully wound up, the liquidator shall make up an account of the winding-up, showing how it has been conducted and the property of the company has been disposed of; and thereupon shall call a general meeting of the company for the purpose of laying before it the account and giving any explanation thereof.

Final meeting and dissolution:

(2) The meeting shall be called by advertisement in the Gazette, specifying the time, place, and object thereof, and published one month at least before the meeting.

(3) Within one week after the meeting, the liquidator shall make a return to the registrar of the holding of the meeting and of its date, and in default of so doing shall be liable to a fine not exceeding twenty-four dollars for every day during which the default continues.

Penalty:

(4) The registrar on receiving the return shall forthwith register it, and on the expiration of three months from its registration the company shall be deemed to be dissolved:

Provided that the Court may, on the application of the liquidator or of any other person who appears to the Court to be interested, make an order deferring the date at which the dissolution of the company is to take effect for such time as the Court thinks fit.

Proviso.

(5) It shall be the duty of the person on whose application an order of the Court under this section is made, within seven days after the order is made, to file with the registrar an office copy of it, and if that person fails so to do he shall be liable to a fine not exceeding twenty-four dollars for every day during which the default continues.

Penalty.

Costs of
voluntary
liquidation.

188. All costs, charges, and expenses properly incurred in the voluntary winding-up of a company, including the remuneration of the liquidator, shall be payable out of the assets of the company in priority to all other claims.

Saving
rights of
creditors
and con-
tributories.

189. The voluntary winding-up of a company shall not bar the right of any creditor or contributory to have it wound up by the Court, if the Court is of opinion, in the case of an application by a creditor, that the rights of the creditor, or, in the case of an application by a contributory, that the rights of the contributories, will be prejudiced by a voluntary winding-up.

Power of
court to
adopt
proceedings
of voluntary
winding-up.

190. Where a company is being wound up voluntarily, and an order is made for winding up by the Court, the Court may if it thinks fit by the same or any subsequent order provide for the adoption of all or any of the proceedings in the voluntary winding-up.

Winding-up subject to Supervision of Court.

Power to
order
winding-up
subject to
supervision.

191. When a company has by special or extraordinary resolution resolved to wind up voluntarily, the Court may make an order that the voluntary winding-up shall continue but subject to such supervision of the Court, and with such liberty for creditors, contributories, or others to apply to the Court, and generally on such terms and conditions as the Court thinks just.

Effect of
petition for
winding-up
subject to
supervision.

192. A petition for the continuance of a voluntary winding-up subject to the supervision of the Court shall, for the purpose of giving jurisdiction to the Court over actions, be deemed to be a petition for winding-up by the Court.

Court may
have regard
to wishes of
creditors
and con-
tributories.

193. The Court may, in deciding between a winding-up by the Court and a winding-up subject to supervision, in the appointment of liquidators, and in all other matters relating to the winding-up subject to supervision, have regard to the wishes of the creditors or contributories as proved to it by any sufficient evidence.

Appointment
or removal of
liquidators.

194.—(1) Where an order is made for a winding-up subject to supervision, the Court may, by the same or any subsequent order, appoint any additional liquidator.

(2) A liquidator appointed by the Court under this section shall have the same powers, be subject to the same obligations, and in all respects stand in the same position as if he had been appointed by the company.

(3) The Court may remove any liquidator so appointed by the Court or any liquidator continued under the supervision order, and fill any vacancy occasioned by the removal, or by death or resignation.

195. Where an order is made for a winding-up subject to the supervision of the Court, the liquidators appointed to conduct the winding-up may, subject to any restrictions imposed by the Court, exercise all their powers without the sanction or intervention of the Court, in the same manner as if the company were being wound up altogether voluntarily; but except as aforesaid, any order made by the Court for a winding-up subject to the supervision of the Court shall for all purposes, including the staying of action, suits, and other proceedings, be deemed to be an order of the Court for winding up the company by the Court, and shall confer full authority on the Court to make calls or to enforce calls made by the liquidators, and to exercise all other powers which it might have exercised if any order had been made for winding up the company altogether by the Court; and, in the construction of the provisions whereby the Court is empowered to direct any act or thing to be done to or in favour of the liquidators conducting the winding-up by the Court, the expression "liquidators" shall be deemed to mean the liquidators conducting the winding-up subject to the supervision of the Court.

Effect of order of the Court for winding-up subject to supervision.

196. Where an order has been made for the winding up of a company subject to the supervision of the Court, and that order is afterwards superseded by an order directing the company to be wound up compulsorily, the Court may, in the last-mentioned order or in any subsequent order, appoint the voluntary liquidators or any of them either provisionally or permanently and either with or without the addition of any other persons to be liquidators in the winding-up by the Court.

When voluntary liquidators may be liquidators in winding-up by Court.

Supplemental Provisions.

197.—(1) In the case of voluntary winding up, every transfer of shares, except transfers made to or with the sanction of the liquidator, and every alteration in the

Avoidance of transfers and alterations in members' status after commencement of winding-up.

status of the members of the company made after the commencement of the winding-up, shall be void.

(2) In the case of a winding up by or subject to the supervision of the Court, every disposition of the property (including things in action) of the company, and every transfer of shares, or alteration in the status of its members, made after the commencement of the winding up, shall, unless the Court otherwise orders, be void.

Use of books of company as evidence in winding-up.

198. Where any company is being wound up, all books, accounts, and documents of the company and of the liquidators shall, as between the contributories of the company, be *prima facie* evidence of the truth of all matters purporting to be therein recorded.

Disposal of books, accounts, and documents of company wound up.

199. Where any company has been wound up under this Ordinance and is about to be dissolved, the books, accounts, and documents of the company and of the liquidators may be disposed of in the following way, that is to say, where the company has been wound up by or subject to the supervision of the Court, in the way the Court directs, and where the company has been wound up voluntarily, in the way the company, by an extraordinary resolution, directs; but after the lapse of five years from the date of the dissolution, no responsibility shall rest on the company or the liquidators, or any one to whom the custody of the books, accounts, and documents has been committed, by reason that they, or any of them, cannot be made forthcoming to any party or parties claiming to be interested therein.

Inspection of books during winding-up.

200. Where an order has been made for winding up a company by the Court, or subject to the supervision of the Court, the Court may make such order for the inspection by the creditors and contributories of the company of its books and papers as the Court thinks just, and any books and papers in the possession of the company may be inspected by creditors or contributories in conformity with the order of the Court, but not further or otherwise.

Powers of assignee of chose in action.

201. Anyone to whom any thing in action or right of action belonging to the company is assigned in pursuance of this Ordinance may bring or defend any action or suit relating to that thing in action or right of action in his own name.

202. In the event of a company being wound up under this Ordinance, all debts payable on a contingency, and all claims against the company, present or future, certain or contingent, ascertained or sounding only in damages, shall be admissible to proof against the company, a just estimate being made, so far as may be possible, of the value of all debts or claims subject to any contingency or sounding only in damages, or for some other reason not bearing a certain value :

Admissibility to proof of debts and claims of all descriptions :

Provided that in winding up a company under this Ordinance the same provisions shall prevail and be observed as the respective rights of secured and unsecured creditors, and as to the debts and liabilities provable, and as to the valuation of annuities and future and contingent liabilities, respectively, and as to the ranking and payment of all debts and liabilities, as are in force for the time being under the law of insolvency with respect to the estates of persons adjudged insolvent; and all persons who in any of those cases would be entitled to prove for and receive dividends out of the assets of the company may come in under the winding-up of the company and make any claim against it to which they may respectively be entitled.

Proviso.

203. The liquidators may, with the sanction either of the Court, or of the committee of inspection where the company is being wound up by the Court, or with the sanction of the Court where the company is being wound up subject to the supervision of the Court, and with the sanction of an extraordinary resolution of the company where the company is being wound up altogether voluntarily, pay any classes of creditors in full, or make any compromise or other arrangement the liquidators deem expedient with the creditors, or persons claiming to be creditors, or persons having or alleging themselves to have any claim, present or future, certain or contingent, ascertained or sounding only in damages, against the company or whereby the company may be rendered liable.

Payment of creditors in winding-up.

204. The liquidators may, with the sanction either of the Court, or of the committee of inspection where the company is being wound up by the Court, or with the sanction of the Court where the company is being wound up subject to the supervision of the Court, and with the sanction of an extraordinary resolution of the company where the company is being wound up altogether voluntarily, compromise all calls and liabilities to calls, debts, and liabilities

Power to make compromises with creditors.

capable of resulting in debts, and all claims, whether present or future, certain or contingent, ascertained or sounding only in damages, subsisting or supposed to subsist between the company and any contributory or alleged contributory, or other debtor or person apprehending liability to the company, and all questions in any way relating to or affecting the assets of the company or the winding-up of the company, upon the receipt of such sums, payable at such times, and generally upon such terms, as may be agreed upon, and with power for the liquidators to take any security for the discharge of those debts or liabilities, and to give complete discharges in respect of all or any of those calls, debts, or liabilities.

Where compromise proposed court may order a meeting of creditors to decide as to the compromise.

205. Where any compromise or arrangement is proposed between a company which is being wound up by the Court, or subject to the supervision of the Court, or altogether voluntarily, and the creditors or any class of the creditors of the company, the Court, on the application in a summary way of any creditor or of the liquidators, may order that a meeting of the creditors or class of creditors shall be summoned in the manner the Court directs; and if a majority in number representing three fourths in value of the creditors or class of creditors, present either in person or by proxy at the meeting, agree to any arrangement or compromise, that arrangement or compromise, if sanctioned by an order of the Court, shall be binding on all those creditors or that class of creditors, as the case may be, and also on the liquidators and contributories of the company.

Avoidance of execution against company after commencement of winding-up.

206. Where a company is being wound up by the Court or subject to the supervision of the Court, any attachment, sequestration, distress, or execution put into force against the estate or effects of the company after the commencement of the winding-up shall be void to all intents.

Fraudulent preference.

207.—(1) Any transfer, assignment, delivery of goods, payment, or other act relating to property which, if made or done by or against any individual would be deemed, in the event of his insolvency, to have been made or done by way of undue or fraudulent preference of the creditors of that individual, shall, if made or done by or against a company, be deemed, if the company is wound up under this Ordinance, to have been made or done by way of undue or fraudulent preference of the creditors of the company and shall be invalid accordingly.

(2) For the purposes of this section, the presentation of a petition for winding up a company in the case of a company being wound up by the court or subject to the supervision of the court, and a resolution for winding up the company in the case of a voluntary winding-up, shall be deemed to correspond with the act of insolvency in the case of an individual.

(3) Any conveyance or assignment made by any company formed under this Ordinance of all its estate and effects to trustees for the benefit of all its creditors shall be void to all intents.

208.—(1) Where during the winding-up of a company under this Ordinance it appears that anyone who has taken part in the formation or promotion of the company, or any past or present director, manager, liquidator, or other officer of the company, has misapplied or retained, or become liable or accountable for, any moneys or property of the company, or has been guilty of any misfeasance or breach of trust in relation to the company, the Court, on the application of the Official Receiver or the liquidator of the company, or of any creditor or contributory of the company, may examine into the conduct of that promoter, director, manager, liquidator, or other officer and compel him to repay any moneys or restore any property so misapplied, or retained, or for which he has become liable or accountable, together with interest after the rate the Court thinks just, or to contribute any sums of money to the assets of the company by way of compensation, in respect of the misapplication, retainer, misfeasance, or breach of trust, which the Court thinks just.

Assessment of damages against delinquent directors, officers, and promoters.

(2) The provisions of this section shall apply in the winding-up of a company under this Ordinance whether the company is being wound up by or subject to the supervision of the Court or voluntarily, and whether the winding-up commenced before or after the passing of this Ordinance, and notwithstanding that the offence is one for which the offender may be criminally responsible.

209. An order for payment of money made by the Court under the last preceding section shall be deemed to be a final judgement within the meaning of paragraph (f) of sub-section (1) of section three of the Insolvency Ordinance.

Effect of order under preceding section.

Chapter 180.

210. Any director, officer, or contributory of any company wound up under this Ordinance who destroys, mutilates, alters, or falsifies, any books, papers, writings, or

Destroying documents or making false entries therein.

Misdemeanour.

securities, or makes, or is privy to the making of any false or fraudulent entry in any register, book of account, or other document belonging to the company, with intent to defraud or deceive anyone, shall be deemed to be guilty of a misdemeanour and on conviction thereof before the court, shall be liable to imprisonment with or without hard labour for any term not exceeding two years.

Prosecution of delinquent officer in case of winding-up.

211.—(1) Where any order is made for winding-up a company by the Court or subject to the supervision of the Court, and it appears in the course of the winding-up that any past or present director, manager, officer, or member of the company has been guilty of any offence in relation to the company for which he is criminally responsible, the Court may, on the application of anyone interested in the winding-up or of its own motion, direct the official liquidator or the liquidators (as the case may be) to institute and conduct a prosecution for that offence or proceedings for a preliminary investigation (as the case may be) and may order the costs and expenses to be paid out of the assets of the company.

(2) Where a company is being wound up altogether voluntarily, if it appears to the liquidators conducting the winding-up that any past or present director, manager, officer, or member of the company has been guilty of any offence in relation to the company for which he is criminally responsible, the liquidators, with the previous sanction of the Court, may prosecute the offender or institute and carry on proceedings for the preliminary investigation of the charge against him, and all expenses properly incurred by the liquidators in so doing shall be payable out of the assets of the company in priority to all other liabilities.

Giving false evidence.

212. Anyone who, on any examination upon oath or affirmation authorised under this Ordinance, or in any affidavit, deposition, or solemn affirmation in or about the winding-up of a company under this Ordinance, or otherwise in or about any matter arising under this Ordinance, wilfully and corruptly gives false evidence, shall on conviction be liable to the penalties of wilful perjury.

Perjury.

Preferential payments :

213.—(1) In a winding up there shall be paid in priority to all other debts—

(a) all parochial or other local rates due from the company at the date hereinafter mentioned which have become due and payable within twelve months next before that date, and all assessed

taxes, land tax, property or other tax, assessed on the company up to the first day of April next before that date and not exceeding in the whole one year's assessment;

- (b) all wages or salary of any clerk or servant in respect of services rendered to the company during four months before that date, not exceeding two hundred and forty dollars; and
- (c) all wages of any workman or labourer not exceeding one hundred and twenty dollars, whether payable for time or for piece work in respect of services rendered to the company during two months before that date :

Provided that where any labourer in husbandry has entered into a contract for the payment of a portion of his wages in a lump sum at the end of the year of hiring, he shall have priority in respect of the whole of that sum or that part thereof which the Court decides to be due under the contract, proportionate to the time of service up to the date aforesaid.

Proviso :

- (2) The foregoing debts shall—
 - (a) rank equally among themselves and be paid in full, unless the assets are insufficient to meet them, when they shall abate in equal proportions; and,
 - (b) so far as the assets of the company available for payment of general creditors are insufficient to meet them, have priority over the claims of holders of debentures under any floating charge created by the company, and be paid accordingly out of any property comprised in or subject to that charge.

(3) Subject to the retention of the sums necessary for the costs and expenses of the winding-up, the foregoing debts shall be discharged forthwith so far as the assets are sufficient to meet them.

(4) If a landlord or other person distrains or has distrained on any goods or effects of the company within three months next before the date of a winding-up order, the debts to which priority is given by this section shall be a first charge on the goods or effects so distrained or the proceeds of the sale thereof :

Provided that, in respect of any money paid under that charge, the landlord or other person shall have the same rights of priority as the person to whom the payment is made.

Proviso.

(5) The date hereinbefore in this section referred to is—

- (a) in the case of a company ordered to be wound up compulsorily which had not previously commenced to be wound up voluntarily, the date of the winding-up order; and
- (b) in any other case, the date of the commencement of the winding-up.

Effect of floating charge.

214. Where a company is being wound up, a floating charge on the undertaking or property of the company created within three months of the commencement of the winding-up, unless it is proved that the company immediately after the creation of the charge was solvent, shall be invalid, except to the amount of any cash paid to the company at the time of or subsequent to the creation of, and in consideration for, the charge, together with interest on that amount at the rate of five per centum per annum.

Information as to pending liquidations.

215.—(1) If the winding up of a company is not concluded within one year after its commencement, the liquidator of the company shall at the prescribed intervals until the winding-up is concluded, send to the registrar a statement in the prescribed form and containing the prescribed particulars with respect to the proceedings in and position of the liquidation.

(2) Anyone stating himself in writing to be a creditor or contributory of the company shall be entitled, by himself or by his agent, at all reasonable times, on payment of the prescribed fee, to inspect the statement submitted in pursuance of this section and to a copy thereof or extract therefrom; but anyone untruthfully so stating himself to be a creditor or contributory shall be guilty of a contempt of court, and on the application of the liquidator or of the Official Receiver shall be punishable accordingly.

Penalty.

(3) If a liquidator makes default in complying with the requirements of this section he shall be liable to a fine not exceeding two hundred and fifty dollars for each day during which the default continues.

(4) If it appears from the statement or otherwise that a liquidator of a company has in his hands or under his control any money representing unclaimed or undistributed assets of the company which have remained unclaimed or undistributed for six months after the date of

their receipt, the liquidator shall forthwith pay the money to the Colonial Treasurer whose receipt shall be an effectual discharge to the liquidator in respect of the moneys so paid.

(5) For the purpose of ascertaining whether any money is payable to the Colonial Treasurer under this section, the Court may at any time order any liquidator to submit an account verified by affidavit of all sums received and paid by him as liquidator, and may direct the accountant of court to audit that account and may require the liquidator to attend and produce all documents or other evidence in his possession necessary for the audit, and may order the liquidator to pay to the Colonial Treasurer any sum which on the audit appears payable to him under this section.

(6) Any liquidator who fails to comply with the order shall be deemed guilty of contempt of court and be punishable accordingly.

(7) Anyone claiming to be entitled to any money paid to the Colonial Treasurer in pursuance of this section may apply to the Governor in Council for its payment and the Governor in Council, on a certificate by the liquidator that the claimant is entitled, may make an order for the payment of the sum due to the claimant.

(8) Anyone dissatisfied with the decision of the Governor in Council in respect of any claim made under this section may appeal to the Court.

Removal of Defunct Companies from Register.

216.—(1) Where the registrar has reasonable cause to believe that a company is not carrying on business or in operation, he shall send to the company by post a letter inquiring whether it is carrying on business or is in operation.

Striking
defunct
company off
the register :

(2) If the registrar does not within one month of sending the letter receive any answer thereto, he shall, within fourteen days after the expiration of the month, send to the company by post a registered letter referring to the first letter, and stating that no answer thereto has been received and that if answer is not received to the second letter within one month from the date thereof, a notice will be published in the Gazette with a view to striking the name of the company off the register.

(3) If the registrar either receives an answer from the company to the effect that it is not carrying on business or is not in operation, or does not within one month after

sending the second letter receive any answer, he may publish in the Gazette and send to the company by post a notice that at the expiration of three months from the date of that notice the name of the company mentioned therein will, unless cause is shown to the contrary, be struck off the register and the company will be dissolved.

(4) If, in any case where a company is being wound up, the registrar has reasonable cause to believe either that no liquidator is acting, or that the affairs of the company are fully wound up, and the returns required to be made by the liquidator have not been made for a period of six consecutive months after notice by the registrar demanding the returns has been sent by post to the company, or to the liquidator at his last known place of business, the registrar may publish in the Gazette and send to the company a like notice as is provided in the last preceding sub-section.

(5) At the expiration of the time mentioned in the notice the registrar may, unless cause to the contrary is previously shown by the company, strike its name off the register, and shall publish notice thereof in the Gazette, and on the publication in the Gazette of the latter notice the company shall be dissolved.

Proviso.

Provided that the liability (if any) of every director, managing officer, and member of the company shall continue and may be enforced as if the company had not been dissolved.

(6) If a company or any member or creditor thereof feels aggrieved by the company having been struck off the register, the Court, on the application of the company or member or creditor, may, if satisfied that the company was, at the time of the striking off, carrying on business or in operation, or otherwise that it is just that the company be restored to the register, order the name of the company to be restored to the register, and thereupon the company shall be deemed to have continued in existence as if its name had not been struck off; and the Court may by the order give the directions and make the provisions seeming just for placing the company and all other persons in the same position as nearly as may be as if the name of the company had not been struck off.

(7) A letter or notice under this section may be addressed to the company at its registered office, or, if no office has been registered, to the care of some director or officer of the company, or, if there is no director or officer of the company whose name and address are known to the

registrar, may be sent to each of the persons who subscribed the memorandum, addressed to him at the address mentioned in the memorandum.

217.—(1) Where a company has been dissolved, the Court may at any time within two years of the date of the dissolution, on an application being made for that purpose by the liquidator of the company or by any other person who appears to the Court to be interested, make an order, upon any terms the Court thinks fit, declaring the dissolution to have been void, and thereupon such proceedings may be taken as might have been taken if the company had not been dissolved.

Declaration by Court that dissolution of company void.

(2) It shall be the duty of the person on whose application the order was made, within seven days from the making of the order, to file with the registrar an office copy of it, and if that person fails to do so he shall be liable to a fine not exceeding twenty-four dollars for every day during which the default continues.

Making of Rules.

218.—(1) The Supreme Court or any two of the judges thereof, as often as circumstances require, may make any general rules required under sections one hundred and thirty-seven, one hundred and forty-three and one hundred and sixty-four hereof and may make rules for regulating appeals from orders made by a single judge and concerning the mode of proceeding to be had for winding up a company in the Court, and may by rules alter or cancel any fees set out in the fourth schedule hereto or may insert other fees in that schedule, and, generally, may make rules concerning all matters in which jurisdiction is by this Ordinance given to the Court from time to time seeming necessary, but none of those rules shall take effect until it has been laid before the Governor and Legislative Council and approved.

Power to the Court, or any two judges thereof, to make rules.

(2) Until the rules aforesaid are made and take effect, the Companies Winding up Rules, 1905, and any other rules now in force under the Companies Ordinance, 1898, and in any matter not provided for by any rules, the general practice of the Court shall, so far as practicable and not inconsistent with this Ordinance, apply to all appeals and proceedings in which the Court has jurisdiction under this Ordinance.

(No. 21 of 1898.)

PART V.

THE REGISTRATION OFFICE.

Constitution
of registra-
tion office.

219. The registration of companies under this Ordinance shall be conducted as follows, that is to say,—

- (a) The registrar of deeds without any further or other appointment, shall act as and be the registrar of joint stock companies under this Ordinance for the colony and shall use a seal having a device and impression of the royal arms, with a label surrounding it and the inscription “Registrar of Joint Stock Companies, British Guiana”;
- (b) no company shall be registered except at the deeds registry in Georgetown;
- (c) everyone may inspect the documents kept by the registrar, and there shall be paid a fee of one dollar for each inspection; and anyone may require a certificate of the incorporation of any company, or a copy or extract of any other document or any part of any other document, to be certified by the registrar, and there shall be paid for a certificate of incorporation, certified copy, or an extract, a fee of one dollar for the certificate of incorporation and twenty-five cents for each folio of the copy or extract; and
- (d) whenever any act is herein directed to be done by the registrar, it may be done by any sworn clerk and notary public or by any assistant sworn clerk, in the registrar’s office.

Registrar’s
fees;
Table B;
first
schedule.

220.—(1) There shall be paid to the registrar in respect of the several matters mentioned in Table B in the first schedule hereto the several fees therein specified, or any smaller fees from time to time directed by the Governor in Council.

(2) All fees paid to the registrar in pursuance of this Ordinance shall be paid into the Treasury.

PART VI.

APPLICATION OF ORDINANCE TO COMPANIES REGISTERED UNDER THE COMPANIES ORDINANCES, 1864 AND 1898.

Application
of Ordinance
to com-
panies—(a)
formed and
registered
under former
Ordinances;

221. Subject as hereinafter mentioned, this Ordinance shall apply to a company formed and registered under the Companies Ordinance, 1864, or that of 1898, in the same

manner, in the case of a limited company, as if that company had been formed and registered under this Ordinance as a company limited by shares or guarantee (as the case may be), and in the case of a company other than a limited company as if it had been formed and registered as an unlimited company under this Ordinance, with this qualification, that wherever reference is made expressly or impliedly to the date of registration, the reference shall be deemed to be to the date at which those companies were registered under the Companies Ordinance, 1864, or that of 1898.

222. This Ordinance shall apply to companies registered but not formed under the Companies Ordinance, 1864, or that of 1898, in the same manner as it is hereinafter declared to apply to companies registered but not formed under this Ordinance, with this qualification, that wherever reference is made expressly or impliedly to the date of registration the reference shall be deemed to be to the date at which the companies were registered under the Companies Ordinance, 1864, or that of 1898.

(b) registered, but not formed thereunder.

223. Any company registered under the Companies Ordinance, 1864, or that of 1898, may cause its shares to be transferred in manner hitherto in use or in any other manner directed by the company.

Mode of transferring shares.

PART VII.

COMPANIES AUTHORISED TO REGISTER AND RE-REGISTER.

224.—(1) The following regulations shall be observed with respect to the registration of companies under this Part, that is to say,—

- (a) no company having the liability of its members limited by Ordinance, or by Act of Parliament, or by letters patent, and not being a joint stock company as hereinafter defined, and no banking company, shall register under this Ordinance in pursuance of this Part;
- (b) no company having the liability of its members limited by Ordinance, or by Act of Parliament, or by letters patent, shall register under this Ordinance in pursuance of this Part as an unlimited company or a company limited by guarantee;

Regulations as to registration of existing companies.

- (c) no company that is not a joint stock company as hereinafter defined shall, in pursuance of this Part, register under this Ordinance as a company limited by shares;
- (d) no company shall register under this Ordinance in pursuance of this Part unless an assent thereto is given by a majority of those of its members who are present, either personally or by proxy (in cases where proxies are allowed by the regulations of the company), at some general meeting summoned for the purpose;
- (e) where a company not having the liability of its members limited by Ordinance, or by Act of Parliament, or by letters patent, is about to register as a limited company, the majority required to assent as aforesaid shall consist of not less than three fourths of the members present, either personally or by proxy, at the last-mentioned general meeting; and
- (f) where a company is about to register as a company limited by guarantee, the assent to its being so registered shall be accompanied by a resolution declaring that each member undertakes to contribute to the assets of the company, in the event of its being wound up during the time that he is a member or within one year afterwards, for payment of the debts and liabilities of the company contracted before the time at which he ceased to be a member, and of the costs, charges, and expenses of winding up the company, and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required, not exceeding a specified amount.

(2) In computing any majority under this section when a poll is demanded, regard shall be had to the number of votes to which each member is entitled according to the regulations of the company of which he is a member.

Companies
capable of
being
registered.

225. With the above exceptions, and subject to the foregoing regulations, every company existing at the commencement of this Ordinance, including any company registered under the Companies Ordinance, 1864, or that of 1898, consisting of seven or more members, any company hereafter formed in pursuance of any Ordinance other than this Ordinance or which is otherwise duly

constituted by law, consisting of seven or more members, and any private company consisting of two or more members, may at any time hereafter register itself under this Ordinance as an unlimited company, or a company limited by shares, or a company limited by guarantee, and the registration shall not be invalid by reason that it has taken place with a view to the company being wound up.

226. For the purposes of this Part, so far as it relates to the description of companies empowered to register as companies limited by shares, a joint stock company shall be deemed to be a company having a permanent paid-up or nominal capital of fixed amount, divided into shares also of fixed amount, or held and transferable as stock, or divided and held partly in one way and partly in the other, and formed on the principle of having for its members the holders of shares in that capital or the holders of that stock, and no other persons, and that company, when registered with limited liability under this Ordinance, shall be deemed to be a company limited by shares.

Definition of
"joint stock
company."

227.—(1) Before registration in pursuance of this Part of any joint stock company, there shall be delivered to the registrar the following documents, that is to say,—

Require-
ments for
registration
of joint
stock
company.

(a) a list showing the names, addresses, and occupations of all persons who, on a day named in the list, not more than six clear days before the day of registration, were members of the company, with the addition of the shares held by those persons respectively, distinguishing, in cases where the shares are numbered, each share by its number;

(b) a copy of any Act of Parliament, letters patent, Ordinance, deed of settlement, contract of copartnery, or other instrument, constituting or regulating the company.

(2) If a joint stock company is intended to be registered as a limited company, the above list and copy shall be accompanied by a statement specifying the following particulars, that is to say,—

(a) the nominal capital of the company and the number of shares into which it is divided;

(b) the number of shares taken and the amount paid on each share;

(c) the name of the company, with the addition of the word "limited" as the last word thereof; and,

- (d) in the case of a company intended to be registered as a company limited by guarantee, with the addition of the resolution declaring the amount of the guarantee.

Require-
ments for
registration
of company
not a joint
stock
company.

228. Previous to the registration in pursuance of this Part of a company which is not a joint stock company, there shall be delivered to the registrar a list showing the names, addresses, and occupations of the directors or other managers, if any, of the company, also a copy of any Ordinance, deed of settlement, contract of co-partnery, or other instrument, constituting or regulating the company, with the addition, in the case of a company intended to be registered as a company limited by guarantee, of the resolution declaring the amount of guarantee.

Registration
by existing
company of
amount of
stock
instead of
shares.

229. Where a joint stock company authorised to register under this Ordinance has had the whole or any portion of its capital converted into stock, the company shall, as to the capital so converted, instead of delivering to the registrar a statement of shares, deliver to him a statement of the amount of stock belonging to the company, and the names of the persons who were holders of that stock, on some day to be named in the statement not more than six clear days before the day of registration.

Authentica-
tion of
statement
of existing
company.

230. The lists of members and directors and any other particulars relating to the company hereby required to be delivered to the registrar shall be verified by an affidavit of the directors of the company delivering the lists and particulars, or any two of them, or of any two other principal officers of the company.

Registrar
may require
evidence as
to nature of
company.

231. The registrar may require any evidence he thinks necessary to satisfy himself whether an existing company is or is not a joint stock company as hereinbefore defined.

Exemption
of certain
companies
from pay-
ment of fees.

232. No fees shall be charged in respect of the registration in pursuance of this Part of any company in cases where the company is not registered as a limited company, or where, previously to its being registered as a limited company, the liability of the shareholders was limited by some other Ordinance.

233. Any company authorised by this Part to register with limited liability shall, for the purpose of obtaining that registration, change its name by adding thereto the word "limited."

Change of company's name.

234. On compliance with the requirements contained in this Part with respect to registration, and on payment of the fees, if any, payable under Table B in the first schedule hereto, the registrar shall certify under his hand that the company so applying for registration is incorporated as a company under this Ordinance, and, in the case of a limited company, that it is limited, and thereupon the company shall be incorporated, and shall have perpetual succession and a common seal, with power to hold lands :

Certificate registration of existing company ;
Table B ;
first schedule :

Provided that where by any Ordinance incorporating a company the term or duration of succession is limited, that succession shall continue so limited, notwithstanding the company may be registered under this Ordinance.

Proviso.

235. All property, movable, and immovable, including all interests and rights in, to, and out of property, movable and immovable, and including obligations and things in action, belonging to or vested in the company at the date of its registration under this Ordinance, shall on registration pass to and vest in the company as incorporated under this Ordinance, for all the estate and interest of the company therein.

Transfer of property to company.

236. The registration in pursuance of this Part of any company shall not affect or prejudice its liability to have enforced against it, or its right to enforce, any debt or obligation incurred, or any contract entered into, by, to, with or on behalf of the company previously to the registration.

Saving of obligations incurred previously to registration.

237. All action, suits, and other legal proceedings, at the time of the registration of any company registered in pursuance of this Part, commenced by or against the company or any member thereof may be continued in the same manner as if the registration had not taken place :

Continuation of existing actions and suits :

Provided, nevertheless, that execution shall not issue against the effects of any individual member of the company, upon any judgement or order obtained in any action, suit, or proceedings so commenced as aforesaid; but if the property and effects of the company are insufficient to satisfy that judgement or order, an order may be obtained for winding up the company.

Proviso.

Effect of
registration
under Part
VII :

238. When a company is registered under this Ordinance in pursuance of this Part, all provisions contained in any Act of Parliament, letters patent, Ordinance, deed of settlement, contract of co-partnery, or other instrument constituting or regulating the company, including in the case of a company registered as a company limited by guarantee the resolution declaring the amount of the guarantee, shall be deemed to be conditions and regulations of the company, in the same manner and with the same incidents as if they were contained in a registered memorandum of association and articles of association; and all the provisions of this Ordinance shall apply to that company and the members, contributories, and creditors thereof, in the same manner in all respects as if it had been formed under this Ordinance, subject to the provisions following, that is to say,—

- (a) the table marked A in the first schedule hereto shall not, unless adopted by special resolution, apply to any company registered under this Ordinance in pursuance of this Part;
- (b) the provisions of this Ordinance relating to the numbering of shares shall not apply to any joint stock company whose shares are not numbered;
- (c) no company shall have power to alter any provision contained in any Act of Parliament, letters patent, or Ordinance relating to the company;
- (d) in the event of the company being wound up, every person shall be a contributory, in respect of the debts and liabilities of the company contracted prior to registration, who is legally liable to pay or contribute to the payment of any debt or liability of the company contracted prior to registration, or to pay or contribute to the payment of any sum for the adjustment of the rights of the members amongst themselves in respect of that debt or liability or to pay or contribute to the payment of the costs, charges, and expenses of winding up the company, so far as relates to the debts or liabilities aforesaid; and every contributory shall be liable to contribute to the assets of the company, in the course of the winding up, all sums due from him in respect of any liability aforesaid; and, in the event of the death, or insolvency of any contributory last aforesaid or

her marriage, the provisions hereinbefore contained with respect to the heirs and executors of deceased contributories, the assignees of insolvent contributories, and the husbands of married contributories, shall apply; and

- (e) nothing herein contained shall authorise any company to alter any of the provisions contained in any deed of settlement, contract of co-partnery, letters patent, or other instrument constituting or regulating the company, which would, if the company had originally been formed under this Ordinance, have been contained in the memorandum of association and are not authorised to be altered by this Ordinance:

Provided that nothing herein contained shall derogate from any power of altering its constitution or regulations vested in any company registering under this Ordinance in pursuance of this Part thereof, by virtue of any Act of Parliament, letters patent, Ordinance, deed of settlement, contract of co-partnery, or other instrument constituting or regulating the company. Proviso.

239. The Court, at any time after the presentation of a petition for winding up a company registered in pursuance of this Part, and before making the winding-up order, on the application by motion of any creditor of the company, may restrain further proceedings in any action, suit, or legal proceeding against any contributory of the company, as well as against the company as hereinbefore provided, upon any terms the Court thinks fit. Stay of proceedings.

240. Where an order has been made for winding up a company registered in pursuance of this Part, in addition to the provisions hereinbefore contained, it is hereby further provided that no action, suit, or other legal proceeding shall be commenced or continued against any contributory of the company in respect of any debt of the company, except with the leave of the Court, and subject to the terms imposed by the Court. Winding-up order.

PART VIII.

APPLICATION OF THE ORDINANCE TO UNREGISTERED COMPANIES.

241. Subject as hereinafter mentioned, any partnership, association, or company, except a railway company incorporated by Ordinance, consisting of more than seven Winding-up unregistered company.

members and not registered under this Ordinance (hereinafter included under the term "unregistered company") and any private company, may be wound up under this Ordinance, and all the provisions hereof with respect to winding-up shall apply to that company, with the following exceptions and additions, that is to say,—

- (a) an unregistered company shall be deemed to be registered in that county of the colony where its principal place of business is situate, or, if it has a principal place of business situate in more than one of those counties, then in each county where it has a principal place of business; moreover, the principal place of business of an unregistered company, or (where it has a principal place of business situate in more than one county of the colony) its principal place of business situate in the county in the registry of which proceedings are being instituted, shall, for all the purposes of its being wound up, be deemed to be its registered office;
- (b) no unregistered company shall be wound up under this Ordinance voluntarily or subject to the supervision of the Court;
- (c) the circumstances under which an unregistered company may be wound up are as follows, that is to say,—
 - (i) whenever the company is dissolved or has ceased to carry on business, or is carrying on business only for the purpose of winding up its affairs;
 - (ii) whenever the company is unable to pay its debts;
 - (iii) whenever the Court is of opinion that it is just and equitable that the company should be wound up;
- (d) an unregistered company shall, for the purpose of this Ordinance, be deemed to be unable to pay its debts whenever—
 - (i) a creditor to whom the company is indebted, by assignment or otherwise, in a sum exceeding two hundred and forty dollars then due, has served on the company, by leaving at the principal place of business, or by delivering to

the secretary or some director or principal officer, of the company, or by otherwise serving in the manner approved or directed by the Court, a demand under his hand requiring the company to pay the sum so due, and the company has, for the space of three weeks succeeding the service of the demand, neglected to pay that sum, or to secure or compound for it to the satisfaction of the creditor;

- (ii) any action, suit, or other proceeding has been instituted against any member of the company for any debt or demand due or claimed to be due from the company, or from him in his character of member of the company, and notice in writing of the institution of that action, suit, or other legal proceeding having been served upon the company, by leaving the notice at the principal place of business, or by delivering it to the secretary, or some director, manager, or principal officer, of the company, or by otherwise serving the notice in the manner approved or directed by the Court, the company has not, within ten days after service of the notice, paid, secured, or compounded for that debt or demand, or procured the action, suit, or other legal proceeding, to be stayed, or has not indemnified the defendant to his reasonable satisfaction against the action, suit, or other legal proceeding and against all costs, damages, and expenses to be incurred by him by reason thereof;
- (iii) execution or other process issued on a judgement or order obtained in any court in favour of a creditor in any proceeding instituted by that creditor against the company or any member thereof as member, or against any person authorised to be sued as nominal

- defendant on behalf of the company, is returned unsatisfied; and
- (iv) it is otherwise proved, to the satisfaction of the Court, that the company is unable to pay its debts.

Contri-
butories when
company
wound up.

242. In the event of an unregistered company being wound up, everyone shall be deemed to be a contributory who is legally liable to pay or contribute to the payment of any debt or liability of the company, or to pay or contribute to the payment of any sum for the adjustment of the rights of the members amongst themselves, or to pay or contribute to the payment of the costs, charges, and expenses of winding-up the company, and every contributory shall be liable to contribute to the assets of the company in the course of the winding-up all sums due from him in respect of any liability aforesaid; but, in the event of the death, or insolvency of any contributory, or the marriage of any female contributory, the provisions hereinbefore contained with respect to the heirs, executors and legatees of a deceased contributory, the assignees of an insolvent contributory, and the husband of a married contributory, shall apply.

Staying
proceedings
in action
against
contributory.

243. The Court may, at any time after the presentation of a petition for winding-up an unregistered company and before making the winding-up order, on the application of any creditor of the company, restrain further proceedings in any action, suit, or other proceeding against any contributory of the company, or against the company, as hereinbefore provided, upon any terms the Court thinks fit.

Effect of
winding-up
order.

244. Where an order has been made for winding up an unregistered company, in addition to the provisions hereinbefore contained in the case of companies formed under this Ordinance, it is hereby further provided that no suit, action, or other legal proceeding shall be commenced or continued against any contributory of the company in respect of any debt of the company, except with the leave of the Court and subject to the terms imposed by the Court.

When vesting
order may be
made in
case of
unregistered
company.

245. If any unregistered company has no power to sue and be sued in a common name and if for any reason it appears expedient, the Court may, by the order made for

winding up the company or by any subsequent order, direct that all property, movable and immovable, including all interests, claims, and rights into and out of property, movable and immovable, and including things in action, belonging to or vested in the company, or to or in any person or persons on trust for or on its behalf, or any part of that property, is to vest in the liquidator or liquidators by his or their official name or names, and thereupon the property, or the part thereof specified in the order, shall vest accordingly, and the liquidator or liquidators may, in his or their official name or names, or in the name or names and after giving the indemnity directed by the Court, bring or defend any actions, suits, or other legal proceedings relating to any property vested in him or them, or any actions, suits, or other legal proceedings necessary to be brought or defended for the purpose of effectually winding up the company and recovering the property thereof.

246. The provisions made by this Part with respect to unregistered companies shall be deemed to be made in addition to, and not in restriction of, any provisions hereinbefore contained with respect to winding up companies by the Court; and the Court or liquidator or liquidators may, in addition to anything contained in this Part, exercise any powers or do any act in the case of unregistered companies which might be exercised or done by it or him or them in winding up companies formed under this Ordinance; but an unregistered company shall not, except in the event of its being wound up, be deemed to be a company under this Ordinance, and then only to the extent provided by this Part.

Provisions
of Part VII
cumulative.

PART IX.

COMPANIES ESTABLISHED OUTSIDE THE COLONY.

247.—(1) For the purposes of this section—

- “certified” means certified in the prescribed manner to be a true copy or a correct translation;
- “place of business” includes a share transfer or share registration office;
- “director” includes any person occupying the position of director, by whatever name called; and
- “prospectus” means any prospectus, notice, circular, advertisement, or other invitation, offering to the public for subscription or purchase any shares or debentures of the company.

Acts
required of
companies
established
outside the
colony.

(2) Every company incorporated outside the colony which after the commencement of this Ordinance establishes a place of business within the colony shall, within three months after the establishment, file with the registrar—

- (a) a certified copy of its charter, statute, or memorandum and articles, or other instrument declaring or defining its constitution, and, if the instrument is not written in the English language, a certified translation thereof;
- (b) a list of its directors;
- (c) the names and addresses of some one or more persons resident in the colony who are authorised to accept on its behalf service of process and any notices required to be served upon it;

and if any alteration is made in any of the instruments, or the directorate, or the names and addresses of any of the persons, aforesaid, the company shall within three months file with the registrar a notice thereof.

(3) Any process or notice required to be served on the company shall be sufficiently served if addressed to any person whose name has been so filed as aforesaid and left at or sent by post to the address so filed.

(4) Every company other than a private company to which this section applies shall in every year file with the registrar such a statement in the form of a balance sheet as would, if it were a company formed and registered under this Ordinance and having a share capital, be required under this Ordinance to be included in the annual summary.

(5) Every company to which this section applies, and which uses the word "Limited" as part of its name, shall—

- (a) in every prospectus inviting subscriptions for its shares or debentures in the colony state the country in which it is incorporated; and
- (b) conspicuously exhibit on every place where it carries on business in the colony its name and the country in which it is incorporated; and
- (c) have its name and the name of the country in which it is incorporated mentioned in legible characters in all its bill-heads and letter paper, and in all notices, advertisements, and other official publications.

(6) There shall be paid to the registrar for registering any document required by this section to be filed with him a fee of ten dollars or such other fee as prescribed from time to time by the Governor in Council.

(7) If any company to which this section applies fails to comply with any of the requirements of this section the company, and every officer or agent of the company, shall be liable to a fine not exceeding two hundred and forty dollars, or in the case of a continuing offence, twenty-four dollars for every day during which the default continues. Penalty.

248.—(1) A company incorporated in the United Kingdom or in a British possession, on filing with the registrar the documents and particulars specified in paragraphs (a), (b), and (c) of sub-section (2) of the last preceding section, shall have the same power to hold lands in the colony as if it were a company incorporated under this Ordinance. Holding lands by companies incorporated in British possessions.

(2) A company incorporated outside the colony but not incorporated in the United Kingdom or in a British possession, on filing the documents and particulars aforesaid shall have the power to hold any lands in the colony from time to time authorised by licence of the Governor in Council. Holding lands by non-British companies.

(3) Save as in this Ordinance provided no company other than a company incorporated in the United Kingdom or in a British possession shall be entitled to hold land in the colony.

PART X.

PENALTIES.

249. Anyone who, in any return, report, certificate, balance sheet, or other document required by or for the purposes of any of the provisions of this Ordinance, wilfully makes a statement false in any material particular, knowing it to be false, shall be guilty of a misdemeanour, and be liable on conviction on indictment to imprisonment for a term not exceeding two years, with or without hard labour, and on summary conviction to imprisonment for a term not exceeding four months, with or without hard labour, and in either case to a fine in lieu of or in addition to the imprisonment aforesaid: False statement:
Misdemeanour:

Provided that the fine imposed on summary conviction shall not exceed five hundred dollars. Proviso.

Improper
use of word
"limited."

Penalty.

250. Any person or persons trading or carrying on business under any name or title of which "Limited" is the last word, shall be liable, unless duly incorporated with limited liability, to a fine not exceeding twenty-four dollars for every day upon which that name or title has been used.

Interpreta-
tion.

251. In this Ordinance, unless the context otherwise requires:—

- "existing company" means a company formed and registered under the Companies Ordinance, 1864, or 1898, or under any other Ordinance;
- "company" means a company formed and registered under this Ordinance, or an existing company;
- "memorandum" means the memorandum of association of a company, as originally framed or as altered in pursuance of the provisions of this Ordinance;
- "document" includes summons, notice, order, and other legal process, and registers;
- "share" means share in the share capital of the company, and, except where a distinction between stock and shares is expressed or implied, includes stock;
- "debenture" includes debenture stock;
- "books and papers" and "books or papers" include accounts, deeds, writings, and documents;
- "the registrar of companies," or, "the registrar," means the registrar of joint stock companies;
- "the Court" means the Supreme Court and includes any judge thereof sitting in any proceedings which may under this Ordinance or any rules of court be taken or heard before a single judge;
- "general rules" means general rules made under this Ordinance and includes forms;
- "prescribed" means, as respects the provisions of this Ordinance relating to the winding up of companies, prescribed by general rules, and as respects the other provisions of this Ordinance, prescribed by the Governor in Council;
- "director" includes any person occupying the position of director, by whatever name called;
- "prospectus" means any prospectus, notice, circular, advertisement, or other invitation, offering to the public for subscription or purchase any shares or debentures of a company;
- "county" means a county of the colony.

PART XI.

SPECIAL PROVISIONS.

252.—(1) Repeal of the Companies Ordinance, 1898, shall not affect the incorporation of any company registered under that Ordinance. Savings.

(2) Where previously to the commencement of this Ordinance an order has been made for winding up a company under the (repealed) Companies Ordinance, 1898, or a resolution has been passed for winding up a company voluntarily, the winding-up of that company shall be continued under this Ordinance, subject to any express provisions of the repealed Ordinance which are not enacted herein, and for the purposes of the winding-up that Ordinance shall be deemed to remain in full force.

(3) Where previously to the commencement of this Ordinance any conveyance, mortgage or other deed or instrument in writing has been made in pursuance of the (repealed) Companies Ordinance, 1898, that deed or instrument shall be of the same force as if this Ordinance had not passed, and for the purposes of the deed or instrument the repealed Ordinance shall be deemed to remain in full force.

253. Where any enactment repealed by this Ordinance is mentioned or referred to in any document, that document shall be read as if the corresponding provision (if any) of this Ordinance were therein mentioned or referred to and substituted for the repealed enactment. Substitution of provisions of this Ordinance for provisions of repealed Ordinance.

254. Subject to section two hundred and eighteen of this Ordinance the Governor in Council may from time to time direct what fees shall be paid and what form shall be used in any matter prescribed to be done under this Ordinance, and may increase or reduce the amount of those fees or may cancel them and may cancel or alter any form. General power as to fees and forms.

SCHEDULES.

FIRST SCHEDULE.

(Sections 11, 12, 65, 115.)

TABLE A.

REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES.

Preliminary.

1. In these regulations, unless the context otherwise requires, expressions defined in the Companies (Consolidation) Ordinance, or any statutory modification thereof in force at the date at which these regulations become

binding on the company, shall have the meanings so defined; and words importing the singular shall include the plural, and vice versa, and words importing the masculine gender shall include females, and words importing persons shall include bodies corporate.

Business.

2. The directors shall have regard to the restrictions on the commencement of business imposed by section eighty-five of the Companies (Consolidation) Ordinance, if, and so far as, those restrictions are binding upon the company.

Shares.

3. Subject to the provisions, if any, in that behalf of the memorandum of association of the company, and without prejudice to any special rights previously conferred on the holders of existing shares in the company, any share in the company may be issued with such preferred, deferred, or other special rights, or such restrictions, whether in regard to dividend, voting, return of share capital, or otherwise, as the company may from time to time by special resolution determine.

4. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied with the consent in writing of the holders of three fourths of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one third of the issued shares of the class.

5. No share shall be offered to the public for subscription except upon the terms that the amount payable on application shall be at least five per centum of the nominal amount of the share; and the directors shall, as regards any allotment of shares, duly comply with the provisions of sections eighty-three to eighty-six (both inclusive) of the Companies (Consolidation) Ordinance applicable thereto.

6. Every person whose name is entered as a member in the register of members shall, without payment, be entitled to a certificate under the common seal of the company specifying the share or shares held by him and the amount paid up thereon, provided that in respect of a share or shares held jointly by several persons the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.

7. If a share certificate is defaced, lost, or destroyed, it may be renewed on payment of such fee, if any, not exceeding twenty-four cents, and on such terms, if any, as to evidence and indemnity as the directors think fit.

8. No part of the funds of the company shall be employed in the purchase, or in loans upon the security, of the company's shares.

Lien.

9. The company shall have a lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share, and the company shall also have a lien on all shares (other than fully paid shares) standing registered

in the name of a single person, for all moneys presently payable by him or from his estate to the company; but the directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause. The company's lien, if any, on a share shall extend to all dividends payable thereon.

10. The company may sell, in any manner the directors think fit, any shares on which the company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of the part of the amount in respect of which the lien exists then presently payable, has been given to the registered holder for the time being of the share, or the person entitled thereto by reason of his death or bankruptcy.

11. The proceeds of the sale shall be applied in payment of the part of the amount in respect of which the lien exists then presently payable, and the residue shall (subject to a like lien for sums not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the date of the sale. The purchaser shall be registered as the holder of the shares and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Calls on Shares.

12. The directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares, provided that no call shall exceed one fourth of the nominal amount of the share, or be payable at less than one month from the last call; and each member shall (subject to receiving at least fourteen days' notice specifying the time or times of payment) pay to the company at the time or times so specified the amount called on his shares.

13. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

14. If a sum called in respect of a share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest upon the sum at the rate of five per centum per annum from the day appointed for the payment thereof to the time of the actual payment, but the directors shall be at liberty to waive payment of that interest wholly or in part.

15. The provisions of these regulations as to payment of interest shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium, as if the sum had become payable by virtue of a call duly made and notified.

16. The directors may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment.

17. The directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him; and upon all or any of the moneys so advanced may (until they would, but for that advance, become presently payable) pay interest at a rate (not exceeding, without the sanction of the company in general meeting, six per centum) agreed upon between the member paying the sum in advance and the directors.

Transfer and Transmission of Shares.

18. The instrument of transfer of any share in the company shall be executed both by the transferor and transferee, and the transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

19. Shares in the company shall be transferred in the following form, or in any usual or common form approved by the directors :

I, *A.B.*, of _____ in consideration of the sum of \$ _____
 paid to me by *C.D.*, of _____ (hereinafter called
 "the said transferee") do hereby transfer to the said transferee the
 share (or shares) numbered _____ in the undertaking called
 the _____ Company Limited, to hold unto the said
 transferee, his executors, administrators, and assigns, subject to the
 several conditions on which I held the same at the time of the
 execution thereof: And I the said transferee, do hereby agree to
 take the said share (or shares) subject to the conditions aforesaid.
 As witness our hands the _____ day of _____, 19 ____ .

Witness to the signatures of _____

20. The directors may decline to register any transfer of shares, not being fully paid shares, to a person of whom they do not approve, and may also decline to register any transfer of shares on which the company has a lien. The directors may also suspend the registration of transfers during the fourteen days immediately preceding the ordinary general meeting in each year. The directors may decline to recognise any instrument of transfers unless—

- (a) a fee not exceeding sixty cents is paid to the company in respect thereof, and
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates and any other evidence the directors reasonably require to show the right of the transferor to make the transfer.

21. The executors or administrators of a deceased sole holder of a share shall be the only persons recognised by the company as having any title to the share. In the case of a share registered in the names of two or more holders, the survivors or survivor, or the executors or administrators of the deceased survivor, shall be the only persons recognised by the company as having any title to the share.

22. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member shall, upon such evidence being produced as may from time to time be required by the directors, have the right, either to be registered as a member in respect of the share or, instead of being registered himself, to make the transfer of the share which the deceased or bankrupt person could have made; but the directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the deceased or bankrupt person before the death or bankruptcy.

23. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the registered

holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company.

Forfeiture of Shares.

24. If a member fails to pay any call or instalment of a call on the day appointed for payment, the directors may, at any time thereafter during the time any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest accrued.

25. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited.

26. If the requirements of any notice aforesaid are not fulfilled, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the directors to that effect.

27. A forfeited share may be sold or otherwise disposed of on any terms and in any manner the directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on any terms the directors think fit.

28. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the company all moneys which, at the date of forfeiture, were presently payable by him to the company in respect of the shares, but his liability shall cease if and when the company receive payment in full of the nominal amount of the shares.

29. A statutory declaration in writing that the declarant is a director of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the fact therein stated as against all persons claiming to be entitled to the share, and that declaration, and the receipt of the company for the consideration, if any, given for the share on the sale or disposition thereof, shall constitute a good title to the share, and the person to whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, or disposal of the share.

30. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium, as if the sum had been payable by virtue of a call duly made and notified.

Conversion of Shares into Stock.

31. The directors may, with the sanction of the company previously given in general meeting, convert any paid-up shares into stock, and may with the like sanction reconvert any stock into paid-up shares of any denomination.

32. The holders of stock may transfer it, or any part thereof, in the same manner, and subject to the same regulations, as, and subject to which, the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit; but the directors may from time to time fix the minimum amount of stock transferable, and restrict or forbid the transfer of fractions of that minimum, but the minimum shall not exceed the nominal amount of the shares from which the stock arose.

33. The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges, and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose, but no privilege or advantage (except participation in the dividends and profits of the company) shall be conferred by any such aliquot part of stock as would not, if existing in shares, have conferred that privilege or advantage.

34. Such of the regulations of the company (other than those relating to share warrants) as are applicable to paid-up shares shall apply to stock, and the word "share" and "shareholder" therein shall include "stock" and "stockholder."

Share Warrants.

35. The company may issue share warrants, and the directors may accordingly in their discretion, with respect to any share which is fully paid up, on application in writing signed by the person registered as holder of the share, and authenticated by any evidence the directors from time to time require as to the identity of the person signing the request, and on receiving the certificate, if any, of the share, and the amount of the stamp duty on the warrant and such fee as the directors may from time to time require, issue under the company's seal a warrant, duly stamped, stating that the bearer of the warrant is entitled to the shares therein specified, and may provide by coupons or otherwise for the payment of dividends, or other moneys, on the shares included in the warrant.

36. A share warrant shall entitle the bearer to the shares included in it, and the shares shall be transferred by the delivery of the share warrant, and the provisions of the regulations of the company with respect to transfer and transmission of shares shall not apply thereto.

37. The bearer of a share warrant, on surrender of the warrant to the company for cancellation and on payment of the sum from time to time prescribed by the directors, shall be entitled to have his name entered as a member in the register of members in respect of the share included in the warrant.

38. The bearer of a share warrant may at any time deposit the warrant at the office of the company, and so long as the warrant remains so deposited the depositor shall have the same right of signing a requisition for calling a meeting of the company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiration of two clear days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares included in the deposited warrant. Not more than one person shall be recognised as depositor of the share warrant. The company shall, on two days' written notice, return the deposited share warrant to the depositor.

39. Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the company, or attend, or vote, or exercise any other privilege of a member, at a meeting of the company, or be entitled to receive any notices from the company; but the bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the register of members as the holder of the shares included in the warrant, and he shall be a member of the company.

40. The directors may from time to time make rules as to the terms on which (if they think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss, or destruction.

Alteration of Capital.

41. The directors may, with the sanction of an extraordinary resolution of the company, increase the share capital by a sum, divided into shares of an amount, prescribed by the resolution.

42. Subject to any direction to the contrary that may be given by the resolution sanctioning the increase of share capital, all new shares shall before issue, be offered to the persons at the date of the offer entitled to receive notices from the company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the directors may dispose of the shares in the manner they think most beneficial to the company. The directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot in the opinion of the directors, be conveniently offered under this clause.

43. The new shares shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture, and otherwise, as the shares in the original share capital.

44. The company may, by special resolution—

- (a) consolidate and divide its share capital into shares of larger amount than its existing shares;
- (b) by sub-division of its existing shares, or any of them, divide the whole or any part, of its share capital into shares of smaller amount than is fixed by the memorandum of association, subject, nevertheless, to the provisions of paragraph (d) of sub-section (1) of section thirty-nine of the Companies (Consolidation) Ordinance;
- (c) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person;
- (d) reduce its share capital in any manner and with, and subject to, any incident authorised, and consent required by law.

General Meetings.

45. The statutory general meeting of the company shall be held within the period required by section sixty-three of the Companies (Consolidation) Ordinance.

46. A general meeting shall be held once in every year at the time (not being more than fifteen months after the holding of the last preceding general meeting) and place prescribed by the company in general meeting, or, in default, at the time in the month following that in which the anniversary of the company's incorporation occurs, and at the place the directors appoint. In default of a general meeting being so held, a general meeting shall be held in the month next following, and may be convened by any two members in the same manner as nearly as possible as that in which meetings are to be convened by the directors.

47. The above-mentioned general meetings shall be called ordinary meetings; all other general meetings shall be called extraordinary.

48. The directors may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or, in default, may be convened by such requisitionists, as provided by section sixty-four of the Companies (Consolidation) Ordinance. If at any time there are not within the colony sufficient directors capable of acting to form a quorum, any director, or any two members of the company, may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the directors.

Proceedings at General Meetings.

49. Seven days' notice at the least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given) specifying the place, the day, and the hour of meeting and, in case of special business, the general nature of that business, shall be given in manner hereinafter mentioned, or in any other manner prescribed by the company in general meeting, to the persons who are, under the regulations of the company, entitled to receive the notice from the company; but the non-receipt of the notice by any member shall not invalidate the proceedings at any general meeting.

50. All business shall be deemed special that is transacted at an extraordinary meeting, and all that is transacted at an ordinary meeting, with the exception of sanctioning a dividend, the consideration of the accounts, balance-sheets, and the ordinary report of the directors and auditors, the election of directors and other officers in the place of those retiring by rotation, and fixing the remuneration of the auditors.

51. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business; save as herein otherwise provided, three members personally present shall be a quorum.

52. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place; if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall be a quorum.

53. The chairman, if any, of the board of directors shall preside as chairman at every general meeting of the company.

54. If there is not that chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the members present shall choose some one of their number to be chairman.

55. The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for ten days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Except as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

56. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by at least three members; and unless a poll is so demanded, a declaration by the chairman that a resolution has, on a show of hands, been carried, or carried unanimously or by a particular majority, or lost, and an entry to that effect in the book of the proceedings of the company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, that resolution.

57. If a poll is duly demanded it shall be taken in the manner directed by the chairman, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

58. In the case of an equality of votes, whether on show of hands or on a poll, the chairman at the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.

59. A poll demanded on the election of a chairman, or on the question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken at the time directed by the chairman of the meeting.

Votes of Members.

60. On a show of hands every member present in person shall have one vote; on a poll every member shall have one vote for each share of which he is the holder.

61. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of members.

62. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, curator bonis, or other person in the nature of a committee or curator bonis appointed by that court, and the committee, curator bonis, or other person may, on a poll, vote by proxy.

63. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

64. On a poll votes may be given either personally or by proxy.

65. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or, if the appointor is a corporation, either under the common seal, or under the

of retirement of directors ; but his appointment shall be subject to determination ipso facto if he ceases from any cause to be a director, or if the company in general meeting resolves that his tenure of the office of managing director or manager be determined.

73. The amount for the time being remaining undischarged of moneys borrowed or raised by the directors for the purposes of the company (otherwise than by the issue of share capital) shall not at any time exceed the issued share capital of the company without the sanction of the company in general meeting.

74. The directors shall duly comply with the provisions of the Companies (Consolidation) Ordinance, or any statutory modification thereof for the time being in force, and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the company, or created by it, and to keeping a register of the directors, and to sending to the registrar an annual list of members and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital, or conversion of shares into stock, and copies of special resolutions, and a copy of the register of directors and notifications of any changes therein.

75. The directors shall cause minutes to be made in books provided for the purpose—

- (a) of all appointments of officers made by directors ;
 - (b) of the names of the directors present at each meeting of the directors and of any committee of the directors ;
 - (c) of all resolutions and proceedings at all meetings of the company, and of the directors, and of committees of directors,
- and every director present at any meeting of directors or committee of directors shall sign his name in a book to be kept for that purpose.

The Seal.

76. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the board of directors, and in the presence of at least two directors and of the secretary or any other person appointed by the directors for the purpose ; and those two directors and secretary, or other person aforesaid, shall sign every instrument to which the seal of the company is so affixed in their presence.

Disqualifications of Directors.

77. The office of director shall be vacated, if the director—

- (a) ceases to be a director by virtue of section seventy-one of the Companies (Consolidation) Ordinance ; or
- (b) holds any other office of profit under the company except that of managing director or manager ; or
- (c) becomes bankrupt ; or
- (d) is found lunatic or becomes of unsound mind ; or
- (e) is concerned or participates in the profits of any contract with the company :

Provided, however, that no director shall vacate his office by reason of his being a member of any company which has entered into contracts with or done any work for the company of which he is director ; but a director shall not vote in respect of any such contract or work, and if he does so vote his vote shall not be counted.

Rotation of Directors.

78. At the first ordinary meeting of the company the whole of the directors shall retire from office, and at the ordinary meeting in every subsequent year one third of the directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to one third, shall retire from office.

79. The directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

80. A retiring director shall be eligible for re-election.

81. The company at the general meeting at which a director retires in manner aforesaid may fill up the vacated office by electing a person thereto.

82. If at any meeting at which an election of directors ought to take place the places of the vacating directors are not filled up, the meeting shall stand adjourned till the same day in the next week at the same time and place, and, if at the adjourned meeting the places of the vacating directors are not filled up, the vacating directors, or those of them who have not had their places filled up, shall be deemed to have been re-elected at the adjourned meeting.

83. The company may from time to time in general meeting increase or reduce the number of directors, and may also determine in what rotation the increased or reduced number is to go out of office.

84. Any casual vacancy occurring in the board of directors may be filled up by the directors, but the person so chosen shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.

85. The directors shall have power at any time and from time to time to appoint a person as an additional director, who shall retire from office at the next following ordinary general meeting but shall be eligible for election by the company at that meeting as an additional director.

86. The company may by extraordinary resolution remove any director before the expiration of his period of office, and may by an ordinary resolution appoint another person in his stead; the person so appointed shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.

Proceedings of Directors.

87. The directors may meet together for the despatch of business, adjourn, and otherwise regulate their meetings, as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes the chairman shall have a second or casting vote. A director may, and the secretary on the requisition of a director shall, at any time summon a meeting of the directors.

88. The quorum necessary for the transaction of the business of the directors may be fixed by them, and unless so fixed shall (when the number of directors exceeds three) be three.

89. The continuing directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to the regulations of the company as the necessary quorum of directors, the continuing directors may act for the purpose of increasing the number of directors to that number, or of summoning a general meeting of the company, but for no other purpose.

90. The directors may elect a chairman of their meetings and determine the period for which he is to hold office; but, if no chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding it, the directors present may choose one of their number to be chairman of the meeting.

91. The directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulations imposed on them by the directors.

92. A committee may elect a chairman of their meetings; if no chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding it, the members present may choose one of their number to be chairman of the meeting.

93. A committee may meet and adjourn as they think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes the chairman shall have a second or casting vote.

94. All acts done by any meeting of the directors or of a committee of directors, or by any person acting as a director, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any of the directors or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if each of those persons had been duly appointed and was qualified to be a director.

Dividends and Reserves.

95. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the directors.

96. The directors may from time to time pay to the members such interim dividends as appear to the directors to be justified by the profits of the company.

97. No dividend shall be paid otherwise than out of profits.

98. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid on the shares, but, if and so long as nothing is paid up on any of the shares in the company, dividends may be declared and paid according to the amounts of the shares. No amount paid on a share in advance of calls shall, while carrying interest, be treated for the purposes of this article as paid on the share.

99. The directors may, before recommending any dividend, set aside out of the profits of the company the sums they think proper as a reserve or reserves which shall, at the discretion of the directors, be applicable for meeting contingencies, or for equalising dividends, or for any other purpose to which the profits of the company may be properly applied, and pending

the application may, at the like discretion, either be employed in the business of the company or be invested in any investments (other than shares of the company) the directors from time to time think fit.

100. If several persons are registered as joint holders of any share any one of them may give effectual receipts for any dividend payable on the share.

101. Notice of any dividend that may have been declared shall be given in manner hereinafter mentioned to the persons entitled to share therein.

102. No dividend shall bear interest against the company.

Accounts.

103. The directors shall cause true accounts to be kept—
of the sums of money received and expended by the company and
the matter in respect of which the receipt and expenditure takes
place, and
of the assets and liabilities of the company.

104. The books of account shall be kept at the registered office of the company, or at such other place or places as the directors think fit, and shall always be open to the inspection of the directors.

105. The directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the company or any of them shall be open to the inspection of members not being directors, and no member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by statute or authorised by the directors or by the company in general meeting.

106. Once at least in every year the directors shall lay before the company in general meeting a profit and loss account for the period since the preceding account, or (in the case of the first account) since the incorporation of the company, made up to a date not more than six months before that meeting.

107. A balance sheet shall be made out in every year and laid before the company in general meeting made up to a date not more than six months before that meeting. The balance sheet shall be accompanied by a report of the directors as to the state of the company's affairs, and the amount which they recommend to be paid by way of dividend, and the amount, if any, which they propose to carry to a reserve fund.

108. A copy of the balance sheet and report shall, seven days previously to the meeting, be sent to the persons entitled to receive notices of general meetings in the manner in which notices are to be given hereunder.

Audit.

109. Auditors shall be appointed and their duties regulated in accordance with sections one hundred and nine and one hundred and ten of the Companies (Consolidation) Ordinance, or any statutory modification thereof for the time being in force.

Notices.

110. A notice may be given by the company to any member either personally or by sending it by post to him to his registered address, or (if he has no registered address in the colony) to the address, if any, within the colony supplied by him to the company for the giving of notices to him.

111. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying, and posting a letter containing the notice, and, unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of post.

112. If a member has no registered address in the colony and has not supplied to the company an address within the colony for the giving of notices to him, a notice addressed to him and advertised in a newspaper circulating in the neighbourhood of the registered office of the company, shall be deemed to be duly given to him on the day on which the advertisement appears.

113. A notice may be given by the company to the joint holders of a share by giving the notice to the joint holder named first in the register in respect of the share.

114. A notice may be given by the company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, in the colony supplied for the purpose by the persons claiming to be so entitled, or (until that address has been so supplied) by giving the notice in any manner in which it might have been given if the death or bankruptcy had not occurred.

115. Notice of every general meeting shall be given in some manner hereinbefore authorised to (a) every member of the company (including bearers of share warrants) except those members who (having no registered address within the colony) have not supplied to the company an address within the colony for the giving of notices to them, and also to (b) every person entitled to a share in consequence of the death or bankruptcy of a member, who, but for his death or bankruptcy, would be entitled to receive notice of the meeting. No other persons shall be entitled to receive notices of general meetings.

TABLE B.

(Section 220.)

TABLE OF FEES TO BE PAID TO THE REGISTRAR OF COMPANIES.

I.—By a company having a share capital.

	\$	c.
For registration of a company whose nominal share capital does not exceed \$10,000	10	00
For registration of a company whose nominal share capital exceeds \$10,000, the following fees, regulated according to the amount of nominal share capital (that is to say):		
For every \$5,000 of nominal share capital, or part of	\$	c.
\$5,000, up to \$25,000	5	00
For every \$5,000 of nominal share capital, or part of		
\$5,000 after the first \$25,000, up to \$500,000 ...	1	00
For every \$5,000 of nominal share capital, or part of		
\$5,000, after the first \$500,000	25	
For registration of any increase of share capital made after the first registration of the company, the same fees per \$5,000, or part of a \$5,000, as would have been payable if the increased share		

capital had formed part of the original share capital at the time of registration :

Provided that no company shall be liable to pay in respect of nominal share capital, on registration or afterwards, any greater amount of fees than two hundred and forty dollars, taking into account, in the case of fees payable on an increase of share capital after registration, the fees paid on registration.

For registration of any existing company, except companies by this Ordinance exempted from payment of fees in respect of registration under this Ordinance, the same fee as is charged for registering a new company.	
For registering any document by this Ordinance required or authorised to be registered, other than the memorandum of the abstract required to be filed with the registrar by a receiver or manager, or the statement required to be sent to the registrar by the liquidator in a winding-up in England	\$ c. 1 00
For making a record of any fact by this Ordinance required or authorised to be recorded by the registrar	1 00

II.—By a company not having a share capital.

For registration of a company whose number of members, as stated in the articles, does not exceed twenty	10 00
For registration of a company whose number of members, as stated in the articles, exceeds twenty, but does not exceed one hundred	25 00
For registration of a company whose number of members, as stated in the articles, exceeds one hundred, but is not stated to be unlimited, the above fee of \$25, with an additional \$1.00 for every fifty members or less number than fifty members after the first hundred.	
For registration of a company in which the number of members is stated in the articles to be unlimited	100 00
For registration of any increase on the number of members made after the registration of the company, in respect of every fifty members, or less than fifty members, of that increase... ..	1 00
<p>Provided that no company shall be liable to pay on the whole a greater fee than \$100 in respect of its number of members, taking into account the fee paid on the first registration of the company.</p>	
For registration of any existing company, except companies by this Ordinance exempted from payment of fees in respect of registration under this Ordinance, the same fee as is charged for registering a new company.	
For registering any document by this Ordinance required or authorised to be registered, other than the memorandum or the abstract required to be filed with the registrar by a receiver or manager, or the statement required to be sent to the registrar by the liquidator in a winding-up in England	1 00
For making a record of any fact by this Ordinance required or authorised to be recorded by the registrar	1 00

FORM C.

(Section 105.)

FORM OF STATEMENT TO BE PUBLISHED BY BANKING AND INSURANCE COMPANIES, AND DEPOSIT, PROVIDENT, OR BENEFIT SOCIETIES.

* The share capital of the company , divided into shares of each.

The number of shares issued is

Calls to the amount of dollars per share have been made, under which the sum of dollars have been received.

The liabilities of the company on the first day of January (or July) were—

Debts owing to sundry persons by the company :

- on judgement, \$
- on specialty, \$
- on notes or bills, \$
- on simple contracts, \$
- on estimated liabilities,

The assets of the company on that day were—

- Government securities [*stating them*]
- bills of exchange and promissory notes, \$
- cash at the bankers, \$
- other securities, \$

* If the company has no share capital the portion of the statement relating to capital and shares must be omitted.

SECOND SCHEDULE.

(Section 80.)

THE COMPANIES (CONSOLIDATION) ORDINANCE.

STATEMENT IN LIEU OF PROSPECTUS.

filed by

LIMITED.

pursuant to section eighty of the Companies (Consolidation) Ordinance. Presented for filing by

THE COMPANIES (CONSOLIDATION) ORDINANCE.

LIMITED.

STATEMENT IN LIEU OF PROSPECTUS.

The nominal share capital of the company ...		
Divided into	shares of \$	each.
	shares of \$	each.
	shares of \$	each.
Names, descriptions, and addresses of directors or proposed directors.		

SECOND SCHEDULE—continued.

(a) For definition of vendor, see section 79 (2) of the Companies (Consolidation) Ordinance.
 (b) See section 79 (3) of the Companies (Consolidation) Ordinance.

Minimum subscription (if any) fixed by the memorandum or articles of association on which the company may proceed to allotment.	
Number and amount of shares and debentures agreed to be issued as fully or partly paid up otherwise than in cash.	1. shares of \$ fully paid. 2. shares upon which \$ per share credited as paid.
The consideration for the intended issue of those shares and debentures.	3. debenture \$ 4. Consideration.
Name and addresses of (a) vendors of property purchased or acquired, or proposed to be (b) purchased or acquired by the company. Amount (in cash, shares, or debentures) payable to each separate vendor.	
Amount (if any) paid or payable (in cash or shares or debentures) for any such property, specifying amount (if any) paid or payable for goodwill.	Total purchase price \$ cash shares debentures goodwill \$
Amount (if any) paid or payable as commission for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any shares or debentures in the company, or rate of the commission	Amount paid. Amount payable. rate per cent.
Estimated amount of preliminary expenses ...	\$
Amount paid or intended to be paid to any promoter. Consideration for the payment.	Name of promoter. Amount \$ Consideration :-
Dates of, and parties to, every material contract (other than contracts entered into in the ordinary course of the business intended to be carried on by the company or entered into more than two years before the filing of this statement).	
Time and place at which the contracts or copies thereof may be inspected.	
Names and addresses of the auditors of the company (if any).	
Full particulars of the nature and extent of the interest of every director in the promotion of or in the property proposed to be acquired by the company, or, where the interest of a director consists in being a partner in a firm, the nature and extent of the interest of the firm, with a statement of all sums paid or agreed to be paid to him or to the firm in cash or shares, or otherwise, by any person, either to induce him to become, or to qualify him as, a director, or otherwise for services rendered by him or by the firm in connection with the promotion or formation of the company.	

FORM B.

MEMORANDUM AND ARTICLES OF ASSOCIATION of a company limited by Guarantee, and not having a share capital.

Memorandum of Association.

1st. The name of the company is "The Mutual Demerara Marine Association, Limited."

2nd. The registered office of the company will be situate in British Guiana.

3rd. The objects for which the company is established are, "the mutual insurance of ships belonging to members of the company, and the doing all other things incidental or conducive to the attainment of the above object."

4th. The liability of the members is limited.

5th. Every member of the company undertakes to contribute to the assets of the company, in the event of its being wound up while he is a member, or within one year afterwards, for payment of the debts and liabilities of the company contracted before he ceases to be a member, and the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding forty-eight dollars.

WE, the several persons whose names and addresses are subscribed, are desirous of being formed into a company, in pursuance of this memorandum of association.

Names, addresses, and descriptions of subscribers.

- | | | |
|---------------------|------------------|-----------|
| 1. John Jones of | in the county of | merchant. |
| 2. John Smith of | in the county of | |
| 3. Thomas Green of | in the county of | |
| 4. John Thompson of | in the county of | |
| 5. Caleb White of | in the county of | |
| 6. Andrew Brown of | in the county of | |
| 7. Cæsar White of | in the county of | |

Dated the _____ day of _____, 19 ____.

Witness to the above signatures,

A.B.,

Address :

ARTICLES OF ASSOCIATION to accompany preceding MEMORANDUM OF ASSOCIATION.

Number of Members.

1. The company, for the purpose of registration, is declared to consist of five hundred members.

2. The directors hereinafter mentioned may, whenever the business of the association requires, it, register an increase of members.

Definition of Members.

3. Every person shall be deemed to have agreed to become a member of the company who insures any ship or share of a ship in pursuance of the regulations hereinafter contained.

General Meetings.

4. The first general meeting shall be held at a time, not less than one month or more than three months after the incorporation of the company, and at a place, determined by the directors.

5. A general meeting shall be held once in every year at a time (not more than fifteen months after the holding of the last preceding general meeting) and place prescribed by the company in general meeting, or, in default, at such time in the month following that in which the anniversary of the company's incorporation occurs, and at such place, as the directors shall appoint. In default of a general meeting being so held, a general meeting shall be held in the month next following, and may be convened by any two members in the same manner as nearly as possible as that in which meetings are to be convened by the directors.

6. The above-mentioned general meetings shall be called ordinary meetings; all other general meetings shall be called extraordinary.

7. The directors may, whenever they think fit, and shall, on a requisition made in writing by any five or more members, convene an extraordinary general meeting.

8. Any requisition made by the members must state the object of the meeting proposed to be called, and must be signed by the requisitionists and deposited at the registered office of the company.

9. On receipt of the requisition the directors shall forthwith proceed to convene a general meeting; if they do not proceed to cause a meeting to be held within twenty-one days from the date of the requisition being so deposited, the requisitionists or any other five members, may themselves convene a meeting.

Proceedings at General Meetings.

10. Seven days' notice at the least, specifying the place, the day, and the hour of meeting, and in case of special business the general nature of the business, shall be given to the members in manner hereinafter mentioned, or in such other manner, if any, as may be prescribed by the company in general meeting; but the non-receipt of the notice by any member shall not invalidate the proceedings at any general meeting.

11. All business shall be deemed special that is transacted at an extraordinary meeting, and all that is transacted at an ordinary meeting, with the exception of the consideration of the accounts, balance sheets, and the ordinary report of the directors and auditors, the election of directors and other officers in the place of those retiring by rotation, and the fixing of the remuneration of the auditors.

12. No business shall be transacted at any meeting except the declaration of a dividend, unless a quorum of members is present at the commencement of the business. The quorum should be ascertained as follows (that is to say), if the members of the company at the time of the meeting do not exceed ten in number, the quorum shall be five; if they exceed ten there shall be added to the above quorum one for every five additional members up to fifty, and one for every ten additional members after fifty, with this limitation, that no quorum shall in any case exceed thirty.

Directors.

25. The number of the directors, and the names of the first directors, shall be determined by the subscribers of the memorandum of association.

26. Until directors are appointed the subscribers of the memorandum of association shall, for all the purposes of the Companies (Consolidation) Ordinance, be deemed to be directors.

Powers of Directors.

27. The business of the company shall be managed by the directors, who may exercise all the powers of the company which are not by the Companies (Consolidation) Ordinance, 1913, or by any statutory modification thereof for the time being in force, or by these articles, required to be exercised by the company in general meeting; but no regulation made by the company in general meeting shall invalidate any prior act of the directors which would have been valid if that regulation had not been made.

Election of Directors.

28. The directors shall be elected annually by the company in general meeting.

Business of Company.

[Here insert rules as to mode in which business of insurance is to be conducted.]

Audit.

29. Auditors shall be appointed and their duties regulated in accordance with sections one hundred and ten and one hundred and eleven of the Companies (Consolidation) Ordinance, 1913, or any statutory modification thereof for the time being in force, and for this purpose the said sections shall have effect as if the word "members" were substituted for "shareholders," and as if "first general meeting" were substituted for "statutory meeting."

Notices.

30. A notice may be given by the company to any member either personally, or by sending it by post to him to his registered address.

31. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying, and posting a letter containing the notice, and, unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of post.

Names, addresses, and description of subscribers.

- | | | |
|---------------------|------------------|----------|
| 1. John Jones of | in the county of | merchant |
| 2. John Smith of | in the county of | |
| 3. Thomas Green of | in the county of | |
| 4. John Thompson of | in the county of | |
| 5. Caleb White of | in the county of | |
| 6. Andrew Brown of | in the county of | |
| 7. Cæsar White of | in the county of | |

Dated the _____ day of _____, 19 _____.

Witness to the above signatures,

A.B.,

Address :

FORM C.

MEMORANDUM AND ARTICLES OF ASSOCIATION of a company limited by guarantee, and having a share capital.

Memorandum of Association.

1st. The name of the company is "The Bartica Hotel Company, Limited."

2nd. The registered office of the company will be situate in British Guiana.

3rd. The objects for which the company is established are, "the facilitating travelling in the highlands of British Guiana, by providing hotels and conveyances by sea and by land for the accommodation of travellers, and the doing all other things incidental or conducive to the attainment of the above object."

4th. The liability of the members is limited.

5th. Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while he is a member, or within one year afterwards, for payment of the debts and liabilities of the company contracted before he ceases to be a member, and the costs, charges, and expenses of winding up the company and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required, not exceeding ninety-six dollars.

6th. The share capital of the company shall consist of five hundred thousand dollars, divided into five thousand shares of one hundred dollars each.

WE, the several persons whose names and addresses are subscribed, are desirous of being formed into a company, in pursuance of this memorandum of association, and we respectively agree to take the number of shares in the capital of the company set opposite our respective names.

Names, addresses, and description of subscribers.			Number of shares taken by each subscriber.
1. John Jones of	in the county of	...	200
2. John Smith of	in the county of	...	25
3. Thomas Green of	in the county of	...	30
4. John Thompson of	in the county of	...	40
5. Caleb White of	in the county of	...	15
6. Andrew Brown of	in the county of	...	5
7. Cæsar White of	in the county of	...	10
Total shares taken			325

Dated the _____ day of _____, 19 ____.

Witness to the above signatures,

A.B.,

Address :

Articles of Association to accompany preceding Memorandum of Association.

1. The directors may, with the sanction of the company in general meeting, reduce the amount of shares in the company.

2. The directors may, with the sanction of the company in general meeting, cancel any shares belonging to the company.

3. All the articles of Table A of the Companies (Consolidation) Ordinance shall be deemed to be incorporated with these articles and to apply to the company.

Names, addresses, and description of subscribers.

- | | | |
|---------------------|------------------|-----------|
| 1. John Jones of | in the county of | merchant. |
| 2. John Smith of | in the county of | |
| 3. Thomas Green of | in the county of | |
| 4. John Thompson of | in the county of | |
| 5. Caleb White of | in the county of | |
| 6. Andrew Brown of | in the county of | |
| 7. Cæsar White of | in the county of | |

Dated the _____ day of _____, 19 ____.

Witness to the above signatures,

A.B.,

Address : _____

FORM D.

MEMORANDUM AND ARTICLES OF ASSOCIATION of an unlimited company having a share capital.

Memorandum of Association.

1st. The name of the company is "The Patent Stereotype Company."

2nd. The registered office of the company will be situate in British Guiana.

3rd. The object for which the company is established is "the working of a patent method of founding and casting stereotype plates, of which method John Smith, of _____, is the sole patentee."

WE, the several persons whose names are subscribed, are desirous of being formed into a company, in pursuance of this memorandum of association, and we respectively agree to take the number of shares in the capital of the company set opposite our respective names.

Names, addresses, and description of subscribers.		Number of shares taken by each subscriber.
1. John Jones of	in the county of	3
2. John Smith of	in the county of	2
3. Thomas Green of	in the county of	1
4. John Thompson of	in the county of	2
5. Caleb White of	in the county of	2
6. Andrew Brown of	in the county of	1
7. Abel Brown of	in the county of	1
Total shares taken ...		12

Dated the _____ day of _____, 19 ____.

Witness to the above signatures,

A.B.,

Address : _____

Articles of Association to accompany the preceding Memorandum of Association.

1. The share capital of the company is two thousand dollars, divided into twenty shares of one hundred dollars each.

2. All the articles of Table A of the Companies (Consolidation) Ordinance shall be deemed to be incorporated with these articles, and to apply to the company.

Names, addresses and description of subscribers.

- | | | |
|---------------------|------------------|-----------|
| 1. John Jones of | in the county of | merchant. |
| 2. John Smith of | in the county of | |
| 3. Thomas Green of | in the county of | |
| 4. John Thompson of | in the county of | |
| 5. Caleb White of | in the county of | |
| 6. Andrew Brown of | in the county of | |
| 7. Abel Brown of | in the county of | |

Dated the _____ day of _____, 19 ____.

Witness to the above signatures,

A.B.,

Address : _____

FORM E.

Part II,
section 26.

SUMMARY OF SHARE CAPITAL AND SHARES OF THE _____ COMPANY,
LIMITED, made up to the _____ day of _____, 19 ____ (being
the fourteenth day after the date of the first ordinary general meeting
in 19 ____).

Nominal share capital \$ _____ divided into (1) { _____ shares of \$ _____ each.
_____ shares of \$ _____ each.

Total number of shares taken up to the
day of _____ 19 ____ (which number
must agree with the total shown in the
list as held by existing members) ...

Number of shares issued subject to payment wholly in
cash

Number of shares issued as fully paid up otherwise than
in cash

Number of shares issued as partly paid up to the extent
of _____ per share otherwise than in cash ...

(2) There has been called up on each of _____ shares, \$ _____

There has been called up on each of _____ shares, \$ _____

(2) There has been called up on each of _____ shares, \$ _____

(3) Total amount of calls received, including payments on
application and allotment \$ _____

Total amount (if any) agreed to be considered as paid
on _____ shares which have been issued as fully
paid up otherwise than in cash... .. \$ _____

Total amount (if any) agreed to be considered as paid
on _____ shares which have been issued as partly
paid up to the extent of _____ per share \$ _____

(1) When there are shares of different kinds or amounts (e.g., preference and ordinary, or \$10 or \$5), state the numbers and nominal values separately.

(2) Where various amounts have been called or there are shares of different kinds, state them separately.

(3) Include what has been received on forfeited as well as on existing shares.

Total amount of calls unpaid	...	...	...	...	\$
Total amount (if any) of sums paid by way of commission in respect of shares or debentures or allowed by way of discount since date last summary	...	...	...	...	\$
Total amount (if any) paid on	(4)	shares forfeited			\$
Total amount of shares and stock for which share warrants are outstanding	...	...	...	...	\$
Total amount of share warrants issued and surrendered respectively since date of last summary	...	...			\$
Number of shares or amount of stock comprised in each share warrant	...	...	...	...	\$
Total amount of debt due from the company in respect of all mortgages and charges which are required to be registered with the registrar of companies, or which would require registration if created after the first day of	...	...	...	...	\$

STATEMENT in the form of a balance sheet made up to the _____ day of _____, 19____, containing the particulars of the capital, liabilities, and assets of the company.

The return must be signed at the end by the manager or secretary of the company.

Presented for filing by _____

LIST OF PERSONS holding shares in the _____ Company Limited, on the _____ day of _____ 19____, and of persons who have held shares therein at any time since the date of the last return, showing their names and addresses and an account of the shares so held.

Folio in register. Ledger containing particulars.	NAMES, ADDRESSES AND OCCUPATION.				ACCOUNT OF SHARES.				Remarks.	
	Surname.	Christian name.	Address.	Occupation.	*Number of shares held by existing members at date of return.	†Particulars of shares transferred since the date of the last return by persons who are still members.		†Particulars of shares transferred since the date of the last return by persons who have ceased to be members.		
						Number. †	Date of registration of transfer.	Number. †		Date of registration of transfers.

(4) State the aggregate number of shares forfeited (if any).

* The aggregate number of shares held, and not the distinctive numbers, must be stated, and the columns must be added up throughout so as to make one total agree with that stated in the summary to have been taken up.

† When the shares are of different classes these columns may be subdivided so that the number of each class held or transferred may be shown separately.

† The date of registration of each transfer should be given as well as the number of shares transferred on each date. The particulars should be placed opposite the name of the transferor and not opposite that of the transferee, but the name of the transferee may be inserted in the "Remarks" column immediately opposite the particulars of each transfer.

NAMES AND ADDRESSES of the persons who are the directors of the
Limited, on the day of , 19 .

Names.	Addresses.

NOTE.—Banking companies must add a list of all their places of business.

(Signature)

(State whether manager or secretary)

Section 19.

FORM F.

LICENCE TO HOLD LANDS.

The Governor in Council hereby licenses the
to hold the lands hereunder described (*insert description of lands*) (or to hold
land not exceeding in the whole acres).

The conditions of this licence are (*insert any conditions*).

FOURTH SCHEDULE.

(Section 136.)

	\$	c.
1. On every petition for the winding up of a company or association	25	00
2. On the appointment of the Official Receiver on any application under section 136 (4) of this Ordinance	25	00
3. For every report of the Official Receiver to the court ...	10	00
4. For appearance in an examination	10	00
5. For every hundred dollars received—		
(a) where gross assets are not over \$20,000	8	00
(b) where gross assets are over \$20,000	6	00
6. For every composition or compromise under section 205—		
(a) where the gross amount of assets exceeds \$5,000 ...	50	00
(b) where the gross amount of assets does not exceed \$5,000	25	00
7. For inspecting books kept by the Official Receiver—		
(a) provided inspection does not exceed half-an-hour ...		50
(b) for every additional half-hour or part thereof		25
8. For copies of documents and accounts per folio, each folio to contain not less than 18 lines and each line not less than 30 letters		25
9. For receiving and filing each claim with the documents and vouchers in support thereof		50
10. For administering oath to affidavit of claimant, if not previously sworn before a commissioner of affidavits		50
11. For every special proxy or voting paper... ..		25
12. For every general proxy and voting paper		50

FIFTH SCHEDULE.

(Section 138.)

Meetings of Creditors and Contributories.

(1) The meetings of creditors and contributories shall be held within twenty-one days after the date of the winding-up order, or within such further time as the court may approve, unless a special manager has been appointed, in which case those meetings shall be held within one month from the date of the order, or within the further time aforesaid.

(2) The Official Receiver shall summon the meeting by giving not less than seven days' notice of the time and place thereof in the Gazette and in a local paper. Notice of the meeting shall also be sent by post to every person appearing by the company's books to be a creditor of the company and to every member of the company.

(3) The Official Receiver shall also, as soon as practicable, send to each creditor mentioned in the company's statement of affairs, and to each person appearing from the company's books, or otherwise, to be a contributory of the company, a summary of the company's statement of affairs, including the causes of its failure, and any observations thereon which the Official Receiver thinks fit to make; but the proceedings at any such meeting shall not be invalidated by reason of any summary or notice required by these rules not having been sent or received before the meeting.

(4) The meeting shall be held at the place in the opinion of the Official Receiver most convenient for the majority of the creditors and contributories.

(5) The Official Receiver or some person nominated by him, shall be the chairman of the meetings.

(6) A person shall not be entitled to vote as a creditor unless he has duly proved a debt to be due to him from the company, and the proof has been duly lodged before the time appointed for the meeting.

(7) A creditor shall not vote in respect of any unliquidated or contingent debt or any debt the value of which is not ascertained.

(8) For the purpose of voting, a secured creditor shall, unless he surrenders his security, state in his proof the particulars of his security, the date when it was given, and the value at which he assesses it, and shall be entitled to vote only in respect of the balance (if any) due to him after deducting the value of his security. If he votes in respect of his whole debt he shall be deemed to have surrendered his security, unless the court on application is satisfied that the omission to value the security has risen from inadvertence.

(9) A creditor shall not vote in respect of any debt on or secured by a current bill of exchange or promissory note held by him, unless he is willing to treat the liability to him thereon of every person who is liable thereon antecedently to the company, and against whom a receiving order in insolvency has not been made, as a security in his hands, and to estimate the value thereof, and, for the purposes of voting but not for the purposes of dividend, to deduct it from his proof.

(10) It shall be competent to the Official Receiver or to the liquidator, within twenty-eight days after a proof estimating the value of a security as aforesaid has been made use of in voting at any meeting, to require the creditor to give up the security for the benefit of the creditors generally on payment of the value so estimated, with an addition thereto of twenty per centum. Provided, that where a creditor has put a value on the security

he may, at any time before he has been required to give up the security aforesaid, correct the valuation by a new proof, and deduct the new value from his debt, but in that case the addition of twenty per centum shall not be made if the liquidator requires the security to be given up.

(11) The chairman of the meeting shall have power to admit or reject a proof for the purpose of voting, but his decision shall be subject to appeal to the court. If he is in doubt whether the proof of a creditor should be admitted or rejected, he shall mark the proof as objected to, and shall allow the creditor to vote, subject to the vote being declared invalid in the event of the objection being sustained.

(12) A creditor or contributory may vote either in person or by proxy.

(13) Every instrument of proxy shall be in the prescribed form, and shall be issued by the Official Receiver or by the liquidator of the company, and every written part thereof shall be in the handwriting of the person giving the proxy, or of any manager or clerk or other person in his regular employment, or of a commissioner to administer oaths to affidavits.

(14) General and special forms of proxy shall be sent to the creditors and contributories with the notice summoning the meeting, and neither the name nor description of the Official Receiver or of any other person shall be printed or inserted in the body of any instrument of proxy before it is so sent.

(15) A creditor or a contributory may give a general proxy to his manager or clerk, or any other person in his regular employment. In that case the instrument of proxy shall state the relation in which the person to act thereunder stands to the creditor or contributory.

(16) A creditor or a contributory may give a special proxy to any person to vote at any specified meeting, or adjournment thereof—

(a) for or against the appointment or continuance in office of any specified person as liquidator or member of the committee of inspection, and

(b) on all questions relating to any matter other than those above referred to and arising at any specified meeting or adjournment thereof.

(17) A proxy shall not be used unless it is deposited with the Official Receiver before the meeting at which it is to be used.

(18) Where it appears to the satisfaction of the court that any solicitation has been used by or on behalf of a liquidator in obtaining proxies or in procuring the appointment of liquidator, except by the direction of a meeting of creditors or contributories, the court shall have power, if it thinks fit, to order that no remuneration shall be allowed to the person by whom or on whose behalf that solicitation has been exercised, notwithstanding any resolution of the committee of inspection or of the creditors or contributories to the contrary.

(19) A creditor or contributory may appoint the Official Receiver to act in manner prescribed as his general or special proxy.

(20) The chairman of the meeting may, with the consent of the meeting, adjourn it from time to time and from place to place.

(21) A meeting shall not be competent to act for any purpose except the election of a chairman, the proving of debts, and the adjournment of the meeting, unless there are present or represented thereat at least three creditors or contributories, or all the creditors or contributories if their number does not exceed three.

(22) If within half-an-hour from the time appointed for the meeting a quorum of creditors or contributories is not present or represented, the meeting shall be adjourned to the same day in the following week at the same time and place, or to another day appointed by the chairman, not less than seven or more than twenty-one days.

(23) The chairman of the meeting shall cause minutes of the proceedings at the meeting to be drawn up and fairly entered in a book kept for that purpose, and the minutes shall be signed by him or by the chairman of the next ensuing meeting.

(24) No person acting either under a general or a special proxy shall vote in favour of any resolution which would directly or indirectly place himself, or his partner or employer, in a position to receive any remuneration out of the estate of the company otherwise than as a creditor rateably with the other creditors of the company: Provided that where any person holds special proxies to vote for an application to the court in favour of the appointment of himself as liquidator he may use the said proxies and vote accordingly.

SIXTH SCHEDULE.

(Section 109 (8) (d).)

List of qualified Accountants and Auditors.

M. L. R. Andrade.	F. O. Franker.
W. W. Brassington.	F. Garraway.
J. Cannon.	W. B. Gray.
William Cunningham.	R. F. Wishart.
J. C. Devonish.	S. Webb.

*Subsequent additions made in official
journals of 12.3.32.*