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Hon. Mr. Lee.

COMPANIES AMENDMENT.

ANALYSIS.

<p>Title. 1. Short Title.</p>	<p>2. Arrangements and compromises by companies with creditors.</p>
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A BILL INTITULED

AN ACT to amend the Companies Act, 1908.

Title.

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the Companies Amendment Act, 1922, and shall be read together with and deemed part of the Companies Act, 1908.

Short Title.

2. (1.) If it appears to the Court that any company is financially embarrassed and that it would be contrary to the interests of the creditors of such company as a whole or of any class thereof, or contrary to the public interest, that such company should be wound up, the Court may, on the application of the company or any creditor or shareholder thereof or of its own motion, direct a meeting to be held of the creditors of such company or any class of such creditors for the purpose of considering the expediency of making some arrangement or compromise with the company.

Arrangements and compromises by companies with creditors.

(2.) Such meeting shall be held in such manner and at such time and place as may be directed by the Court, and the Court may give such directions as it thinks proper concerning the person to convene or preside at such meeting, the procedure to be observed at such meeting, or any other matter affecting the convening or conduct of such meeting.

(3.) If any arrangement or compromise is agreed to by a majority in number representing three-fourths in value of such creditors or such class of creditors present either in person or by proxy at such meeting, the Court may, if it thinks fit, order that such arrangement or compromise shall be binding upon the whole of the creditors of the company or the whole of the class of creditors of the company (as the case may be) entitled to attend such meeting, and such arrangement or compromise shall take effect accordingly.

(4.) Any application to the Court to exercise the jurisdiction conferred by this section may be by petition or, if any proceedings have been commenced with a view to the winding-up of the company by or under the supervision of the Court, by motion in such proceedings.