

This PUBLIC BILL originated in the LEGISLATIVE COUNCIL, and, having this day passed as now printed, is transmitted to the HOUSE OF REPRESENTATIVES for its concurrence.

*Legislative Council,
13th September, 1898.*

Hon. Mr. W. C. Walker.

COMPANIES WINDING-UP.

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A BILL INTITULED

AN ACT to amend the Law relating to the Winding-up of Companies.

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

Title.

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1. The Short Title of this Act is "The Companies Winding-up Act, 1898"; and it shall form part of and be read together with "The Companies Act, 1882" (hereinafter called "the principal Act").

Short Title.

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2. In every case where after the coming into operation of this Act a company is ordered to be wound up by the Court under the principal Act, the Official Assignee under "The Bankruptcy Act, 1892," of the Supreme Court district wherein the company's principal office is situate shall, by force of this Act, and without the necessity of any appointment or order, be the sole and Official Liquidator of such company.

Official Assignee to be Official Liquidator of company.

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3. In any case where the Official Assignee is the Official Liquidator of a company the Court may, on the application of any creditor or contributory of the company, appoint one or more fit persons to be Supervisors for the purpose of assisting and advising the Official Liquidator in the winding-up of the company:

Court may appoint Supervisors to assist in winding up.

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Provided that in no case shall the number of Supervisors exceed three.

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4. Any Supervisor may resign by notice in writing to the Official Liquidator, or may be removed by the Court on due cause shown, and any vacancy occasioned thereby or by the death of the Supervisor may be filled up by the Court.

Resignation, removal, or death of Supervisor.

Settlement of questions between Official Liquidator and Supervisors.

5. The Official Liquidator shall have regard to the views and advice of the Supervisors; and, if any question or difference arises between him and them or any of them, the Court, on the application of the Official Liquidator or of any Supervisor, may give directions in the matter.

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Official Liquidator may employ solicitor.

6. The Official Liquidator may from time to time employ a solicitor or solicitors to assist him in the performance of his duties: Provided that in any case in which a Supervisor or Supervisors is or are appointed such employment shall be with his or their consent.

Remuneration to be paid out of assets of company.

7. The Official Liquidator and each Supervisor shall be entitled to such remuneration out of the assets of the company as is fixed by the Court.

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Remuneration to be a first charge.

8. Such remuneration shall be a first charge on the assets of the company, and, in the case of the Official Assignee, shall be paid into the Public Account and form part of the Consolidated Fund.

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Powers of Deputy and Acting Assignees.

9. For all the purposes of this Act the provisions of "The Bankruptcy Act, 1892," relating to the powers and functions of Deputy Assignees and Acting Assignees shall, *mutatis mutandis*, apply.

Provided that, on the application of the Official Liquidator, the Court may, in the course of the winding-up of a company, appoint any fit person to act in lieu of the Deputy Assignee; and in such case, and for the purposes of such winding-up, the person so appointed shall be deemed to be the Deputy Assignee.

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Remuneration of Deputy Assignee when acting.

10. In every case where the Deputy Assignee acts in the winding-up of a company he shall be entitled to receive, out of moneys to be appropriated by Parliament, such remuneration as the Governor directs, in no case exceeding the amount paid into the Public Account in respect of the Official Liquidator's remuneration for such winding-up.

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Certain provisions of principal Act not to apply.

11. The provisions of the principal Act relating to the appointment or removal of liquidators shall not apply in the case of the Official Assignee.

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Section 149 of "The Bankruptcy Act, 1892," to apply to Official Liquidator.

12. The provisions of section one hundred and forty-nine of "The Bankruptcy Act, 1892," relating to accounts and audit, shall, *mutatis mutandis*, apply to the Official Assignee as Official Liquidator.

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Court may order liquidators' accounts to be audited by Audit Office.

13. (1.) On the application of any creditor, or shareholder, or contributory of a company in course of being wound up by order of the Court, whether the winding-up was commenced before or after the coming into operation of this Act, the Court may order that the accounts of the liquidator or liquidators (other than the Official Assignee) shall be audited by the Audit Office under "The Public Revenues Act, 1891," and in such case the Audit Office shall have, in respect of the liquidators, their accounts, and all persons dealing with the moneys of the company, the same powers as it would possess if the Official Assignee were the Official Liquidator.

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(2.) The costs and expenses of the Audit Office in connection with such audit shall be payable out of the assets of the company, and shall be paid into the Public Account and form part of the Consolidated Fund:

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Provided that if there are no assets available for the payment of such costs and expenses, or if by reason of the accounts having been

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5 already audited, in whole or in part, by an auditor other than the Audit Office, or for any other reason, the Court is of opinion that the same should not be payable out of the assets of the company, the order for audit by the Audit Office shall not be made unless the applicant is willing to pay such costs and expenses, and to give security to the satisfaction of the Court for the payment thereof: Provided, further, that upon giving such security the applicant shall be entitled to the order as of right.

10 14. Subject to the provisions of this Act, all the provisions of the principal Act relating to the Official Liquidator in the case of a winding-up by the Court shall apply to the Official Assignee as Official Liquidator.

Other provisions of principal Act applied to Official Assignee.

15. The principal Act is hereby modified in so far as it conflicts with this Act, but not further or otherwise.

Principal Act modified.