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This 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,
25th September, 1872.

(Hon. Mr. Hall.)

Mining Companies.

ANALYSIS.

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| <p>Title.</p> <ol style="list-style-type: none"> 1. Short Title. 2. Repeal of former Acts. First Schedule. 3. Saving of existing rights and duties. 4. "The Joint Stock Companies Act, 1860," not to apply. <p>Application and interpretation of this Act.</p> <p style="text-align: center;">PART I.</p> <p style="text-align: center;">CONSTITUTION OF COMPANIES.</p> <p>(1.) <i>Registration, Incorporation, &c.</i></p> <ol style="list-style-type: none"> 6. Mode of obtaining registration. Second Schedule. 7. To keep register book, &c. 8. Incorporation of company. 9. Company to add "Limited." 10. Proof of registration and of appointment of manager. Third Schedule. 11. Copies of <i>Gazette</i> to be evidence of shareholders. 12. Shares unsubscribed for, and transferred to a company, to be its property. <p>(2.) <i>Liability of Shareholders.</i></p> <ol style="list-style-type: none"> 13. Liability of shareholders. <p>(3.) <i>Registered Office.</i></p> <ol style="list-style-type: none"> 14. Company to have office. Service of notice, &c., upon company. 15. Service on company after cessation of business and no office. 16. Notice of registered office. <p>(4.) <i>Manager.</i></p> <ol style="list-style-type: none"> 17. First manager to continue after incorporation. 18. Notice of manager. 19. Manager's duty to lodge notices as to office and manager. 20. Manager to be present at office while open to the public. 21. Certain contracts made by the manager to be binding on the company. 22. On cessation of business without winding-up, manager to have three months' salary only. 23. Manager shall deposit books, &c., with Registrar or Clerk of Court. When. <p>(5.) <i>Directors.</i></p> <ol style="list-style-type: none"> 24. Election of directors. 25. Directors' reports. <p>(6.) <i>Transfers.</i></p> <ol style="list-style-type: none"> 26. Shares not to be transferred when company is being wound up. 27. Name of transferee to be entered on register. 28. To be entered by the manager in what case. 29. On default of manager, receipt to be title to share. 30. Trust on fraudulent transfer incapable of being enforced. | <ol style="list-style-type: none"> 31. Shares may be transferred to the company. 32. On default of manager, receipt to be proof of transfer. <p style="text-align: center;">(7.) <i>Register of Shareholders.</i></p> <ol style="list-style-type: none"> 33. Register of shareholders. 34. Register to be open to creditors and shareholders, and to be <i>prima facie</i> evidence of matters therein. 35. Rectification of register. <p style="text-align: center;">(8.) <i>Books of Account.</i></p> <ol style="list-style-type: none"> 36. Books of account to be kept. 37. Half-yearly statements. 38. Books to be open to inspection. 39. Copy of statement and accounts to be furnished. <p style="text-align: center;">(9.) <i>Contracts.</i></p> <ol style="list-style-type: none"> 40. Contracts, how made, varied, or discharged. <p style="text-align: center;">(10.) <i>Extraordinary Meetings.</i></p> <ol style="list-style-type: none"> 41. Extraordinary meetings. 42. Extraordinary meeting when manager refuses to convene. 43. Voting by proxy. <p style="text-align: center;">(11.) <i>Increase of Capital.</i></p> <ol style="list-style-type: none"> 44. Capital may be increased. 45. Notice of the increase of capital. Notice of increase of capital. Fourth Schedule. Copy of notice evidence that increase of capital was rightly effected. 46. New capital to be deemed part of original capital. <p style="text-align: center;">(12.) <i>Power to borrow Money and to Mortgage.</i></p> <ol style="list-style-type: none"> 47. Power to borrow money and to mortgage. 48. Mortgage and bill of sale ineffectual until registered. <p style="text-align: center;">(13.) <i>Dividends payable only out of Profits.</i></p> <ol style="list-style-type: none"> 49. Dividends payable from profits only. Directors paying dividends otherwise, to be personally liable. <p style="text-align: center;">(14.) <i>Calls.</i></p> <ol style="list-style-type: none"> 50. Calls to be due on second Wednesday in any month. 51. No call to be made until previous call payable. 52. How calls recoverable. 53. What to be stated and proved on suing for calls. 54. Forfeiture of shares for non-payment of calls. 55. Forfeited shares to be sold by auction. 56. Redemption of forfeited shares. 57. Office to be open the day before sale advertised. <p style="text-align: center;">(15.) <i>Rules of Company.</i></p> <ol style="list-style-type: none"> 58. Company may make rules. |
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Mining Companies.

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AN ACT for the Incorporation and Winding-up of Mining Companies. Title.

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

PRELIMINARY.

5 1. This Act shall come into operation on the day of one thousand eight hundred and seventy-two, and shall be called and may be cited as "The Mining Companies Act, 1872," and is divided into Parts as follows :—

- 10 PART I.—Constitution of Companies.
- PART II.—Winding-up.
- PART III.—Prepayment Companies.
- PART IV.—No-liability Companies.
- PART V.—Extension of Act to other Companies.
- 15 PART VI.—Miscellaneous.
- PART VII.—Offences.

2. Subject to the provisions hereinafter contained, the Acts mentioned in the First Schedule hereto shall, to the extent therein specified, be and the same are hereby repealed. Repeal of former Acts. First Schedule.

3. Where before the time of the coming into operation of this Act any offence has been wholly or partly committed against any Act so repealed, or any forfeiture or penalty has been incurred under or made valid by any such Act, or any act has been done, or any power has been exercised, or any appointment has been made, or any instrument has been executed, or any operation has been effected under the authority of such repealed Acts, or has been validated thereby, or any right liability capacity privilege disability or protection shall have accrued, or any action prosecution or winding-up or other proceeding shall have been commenced and be pending at the time of the coming into operation of this Act, every such offence shall be dealt with and punished, and every such forfeiture and penalty shall be enforced recovered and applied, and every such act, and every such exercise of such power, and every such appointment and instrument and operation, and every such right liability capacity privilege disability and protection, shall continue and be in force, and shall be subject to the same conditions and restrictions and may be enforced in the same manner, and every such action or prosecution, and every such winding-up, except as provided in Part V. of this Act, and every such other proceeding, shall be continued and defended in the same manner as if such first-mentioned Act had not been repealed ; and no incorporation of any company registered under any such repealed Act shall, except as provided by the said Part V., be affected by such repeal. Saving of existing rights and duties.

4. Notwithstanding anything in "The Joint Stock Companies Act, 1860," any company association or partnership formed for mining purposes may be formed and may carry on any mining business that has for its object the acquisition of gain to such company association or partnership, or to the individual members thereof, without being registered as a company under the said Statute, or formed in pursuance of any other Act of the General Assembly of New Zealand, or of letters patent. "The Joint Stock Companies Act, 1860," not to apply.

5. This Act shall extend and apply only to companies formed or to be formed for mining purposes ; and in the construction and interpretation of this Act the words and expressions following shall, unless Application and interpretation of this Act.

there be anything in the context or subject-matter inconsistent therewith, have the respective meanings hereby assigned to them (that is to say)—

- The words "mining purposes" shall mean the purpose of obtaining any precious or other metal or mineral of any kind, by any mode or method whatsoever, whereby the soil or earth or any rock or stone may be disturbed removed carted carried washed sifted smelted refined crushed or otherwise dealt with for the purpose of obtaining such metal or mineral, whether such metal or mineral shall be the property of such company or of the Crown or of any other person whomsoever; and also the purchase construction erection and maintenance of machinery of any kind, and letting the same for hire, for all or any such purposes as aforesaid; and also the purchase construction erection and maintenance of races sluices and watercourses, and letting or selling the water or water power therefrom or thereof, for all or any such purposes as aforesaid. 5
- The word "company" shall mean and include any partnership or co-adventure for mining purposes, and wherever mentioned in the First Part of this Act shall mean and include as well a company deemed to be incorporated under that Part as a company actually so incorporated. 10
- The word "property" shall mean and include money goods things in action land and every description of property whether real or personal, and also obligations easements and every description of estate interest and profit, present or future, vested or contingent, arising out of or incident to property as above defined. 15
- The expression "under this Act," wherever occurring in such First Part, shall mean under the First Part of this Act. 20
- The expression "the Court" shall in the first instance mean the District Court, if there be a District Court in the district within which the operations of the company in relation to which the words are used are or were being carried on; and if there be no such Court, then such expression shall mean the Supreme Court. 25
- The word "Judge," where so used, shall mean the Judge of such District Court or of the Supreme Court, as the case may be. 30
- The expression "the Registrar" shall mean the Registrar of the Supreme Court in the Judicial District within which the operations of the company are proposed to be carried on, or where the same are or were being carried on; and when there shall be more than one Supreme Court office then the Registrar of such one of the said offices as shall be appointed by the Governor as hereinafter provided. 35
- The expressions "the Clerk" and "the Clerk of such District Court" shall mean the Clerk of any such District Court at the place of its sittings where a winding-up order is made, or the proceedings under any such order are thereby directed to be carried on. 40
- The term "district" shall mean any district proclaimed to be a gold field within the meaning of "The Gold Fields Act, 1866," and now proclaimed or to be hereafter proclaimed thereunder or under any Act for the time being in force regulating the establishment and management of gold fields. 45
- The word "Province" shall include the County of Westland. 50
- The term "*Gazette*" shall mean the *New Zealand Gazette*. 55

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PART I.

CONSTITUTION OF COMPANIES.

(1.) *Registration Incorporation &c.*

6. Any company formed for mining purposes previously to the passing of this Act, and not already registered under "The Mining Companies Limited Liability Act, 1865," or any Act amending the same, or which may hereafter be formed for such purposes, two-thirds of the shares in which, in the latter case, shall have been subscribed for, may become incorporated under the provisions of this Part of this Act by obtaining registration as hereinafter mentioned. In order to obtain such registration, there must be lodged in the office of the Registrar of the Supreme Court for the Judicial District within which it is proposed to carry on operations a memorandum signed by some person as the manager of such company, which shall contain the several matters and may be in the form contained in the Second Schedule hereto: Provided that if there be more than one Supreme Court office in such Judicial District, then such memorandum shall be lodged at such one of the said offices as the Governor shall from time to time appoint to be the Registrar's office for such district, for the purposes of this Part of this Act. The said memorandum must be verified by a statutory declaration of the person so signing as manager, containing the statements and made in the form in the said Schedule. Within seven days after the day of such lodgment, a copy of the said memorandum and declaration shall be published by and at the cost of the company in one or more than one newspaper circulating in the district within which the company's operations are being or to be carried on, and a like copy shall be forwarded to the office of the *Gazette* for publication therein, and which, on the proper payment being made therefor, shall accordingly be therein published. As soon after such publication as the same can be done, copies of such newspapers and also of the said *Gazette*, and of any rules proposed to be made by such company, shall be forwarded to the office of the said Registrar, to be there retained and filed with the said memorandum.

Mode of obtaining registration.

Second Schedule.

7. Every Registrar shall keep a register book, to be entitled "The Mining Companies' Register Book;" and on receipt by him of the said newspapers *Gazette* copies and copy of rules (if any), he shall enter the date of such receipt, and shall write and sign at the foot of the copy of the memorandum so lodged the words "The above company was registered by me on the _____ day of _____ eighteen hundred and _____ by the name of 'The _____ Company, Limited';" and upon such writing being signed by the Registrar, the said company shall be deemed to be registered under this Part of this Act.

Register book to be kept.

8. Upon such registration, the persons whose names shall be contained in the said memorandum, together with such other persons as may thereafter from time to time become members of the company, shall be a body corporate by the name contained in such memorandum, capable forthwith of exercising all the functions of an incorporated company, and having a perpetual succession and a common seal, with power to hold lands, including mining interests, under any Act relating to mining, but with such liability on the part of the members to contribute to the assets of the company as provided in this Act.

Incorporation of company.

9. Every company registered under this Part of this Act shall add to the style and title under which the business of such company is carried on the word "Limited." If in any legal proceeding the title of a company shall be wrongly stated, such proceeding may be amended

Company to add "Limited."

by a right statement of the title, if there shall appear in such proceeding anything showing what is the right title, and if the Court or Judge thereof shall consider that no party to such proceeding would be prejudiced by such amendment.

10. A certificate in the form or to the effect in the Third Schedule to this Act, purporting to be under the hand of the Registrar (who is hereby required to give such certificate to any person applying for the same on payment of five shillings), and which certificate shall describe the *Gazette* and newspapers and copy of the rules aforesaid (the *Gazette* and copy by their respective dates, and the newspapers by their respective names and dates), shall be conclusive evidence in all Courts that the company has been duly registered under the provisions of this Act, and of the time of its registration.

11. Any copy of the *Gazette* described in such certificate as aforesaid shall be *prima facie* evidence that the persons named therein as shareholders in any such company are such shareholders.

12. After a company shall be registered, all shares therein which from time to time shall remain unsubscribed for shall until subscribed for, and all shares which may be transferred thereto as hereinafter provided for shall until reissued, be the property of the company, and shall be registered in its name or in the name of a trustee appointed by it for the purpose, but no liability shall attach to the company or to any such trustee in respect of any of such shares.

(2.) *Liability of Shareholders.*

13. Every person in whose name any share in a company shall be registered in the register of members hereinafter mentioned shall, while it shall be so registered, be liable to contribute to the assets of the company for the purposes thereof, and for its debts liabilities and obligations, and for adjusting the rights of the shareholders amongst themselves, to the amount from time to time remaining unpaid on such share, but not further or otherwise, save in respect of any additional liability which may be incurred under section forty-four hereof: Provided however that no contribution in the form of a call shall exceed the amount fixed for calls by the rules of the company.

(3.) *Registered Office.*

14. Every such company shall have an office which shall be accessible to the public while the business of the company is being carried on, for not less than four hours on some days, not to be less than two in each week, to be fixed by the rules of the company; and service of any notice or legal process shall be deemed to be good service on the company if enclosed in a registered letter addressed to the manager of such company at such office, or if left thereat with any person in charge of the same, or delivered to the manager or clerk personally.

15. If a company, having ceased to carry on business, shall have no registered office or manager, any such notice or process may be published in the *Gazette*, and such publication shall be deemed service upon the company.

16. Notice under the common seal, and signed by two or more of the directors of a company, of the situation of its registered office, and also, immediately after any change of such office, of such change, shall be filed with and registered by the Registrar who shall enter the same at the foot of the registry of the said company in the Mining Companies' Register Book. A copy of every such notice shall be published in the *Gazette*; and until after such publication as to the original situation of the office, the company shall not be deemed to

Proof of registration and of appointment of manager.
Third Schedule.

Copies of *Gazette* to be evidence of shareholders.

Shares unsubscribed for and transferred to a company to be its property.

Liability of shareholders.

Company to have office.

Service of notices &c. upon company.

Service on company after cessation of business and no office.

Notice of registered office.

have complied with the provisions of this Act with respect to having a registered office; and until after such publication as to a change of the office, the office previously existing shall be deemed to be the office of the company.

5 (4.) *Manager.*

17. The manager who shall have signed such memorandum shall continue after the incorporation of the company in respect of which he shall have signed it, and until a new manager shall be regularly appointed, to be the manager thereof.

First manager to continue after incorporation.

10 18. A notice similar to and sealed in like manner as that hereinbefore directed to be filed of the situation and of any change of the registered office, must be filed with the Registrar of the name and of any change of the manager; and such notice as to the manager shall be dealt with, and copies thereof published, in like manner as is directed in the

Notice of manager.

15 case of notices as to the registered office.

19. It shall be the duty of the manager for the time being to file both such notices and publish such copies.

Manager's duty to lodge notices as to office and manager. Manager to be present at office while open to the public.

20 20. The manager of every company shall be present at the registered office of his company, by himself or his agent or clerk, on every day while the business of the company is being carried on, on the days and at the hours on and at which the registered office is to be accessible to the public as aforesaid.

21. Every contract made by the manager for the time being of a company for the purchase of goods, or the performance of work and the supply of the materials for the same, to an amount in the aggregate not exceeding fifty pounds, for the purposes of the company, shall be binding upon the company and upon the assets thereof; and such assets may be seized and sold in execution in any action against such company upon any such contract, but no such contract shall be binding upon the manager himself.

Certain contracts made by the manager to be binding on the company.

22. If a company shall cease to carry on business without being wound up, the manager shall not be entitled to recover more than three months' salary from the date of the last meeting of the directors or shareholders, unless his services shall be retained for a longer period by some special agreement or by a resolution of the directors or of the Company.

On cessation of business without winding up, manager to have three months' salary only.

23. At the expiration of six months from the time at which a company shall have ceased to carry on business without being wound up, the manager shall deposit with the Registrar of the Supreme Court, in the district where the company shall carry on operations, the register of shareholders in and all other books and documents belonging to the company in his possession or under his control, and the said Registrar shall receive and give a receipt therefor: Provided that the Court or the Judge thereof may, if it shall appear reasonable to do so, extend the time for such further time as shall be thought fit.

Manager shall deposit books &c. with Registrar or Clerk of Court. When.

(5.) *Directors.*

24. If previously to the incorporation of a company the number of and the persons who are to be the directors thereof shall not have been determined, the company shall at an extraordinary meeting, to be called as hereinafter provided, as soon as may be after its incorporation, determine by a majority of shareholders there present in person or by proxy such number and persons, and shall also by such majority determine, so far as shall not be provided by rules theretofore made or made at the said meeting, the mode of election of future directors, the qualifications powers term of office and mode of retirement of directors, and the number of them who are to form a quorum, and may by such majority continue the then existing manager in his office or appoint another in his stead; and the directors so determined upon shall have the custody and use of the common seal, and shall carry on and transact

Election of directors.

the business and affairs of the company, and shall until their successors shall be appointed continue to be such directors; and none of such directors shall be or continue to be directors of any company or companies working or holding ground abutting on or next to the company or companies, which may be engaged in litigation with the company of which they were first appointed directors. 5

Directors' reports.

25. Not less than one week previously to the day for holding a general meeting of a company, the directors thereof shall lodge in the company's office, for the inspection of the shareholders in and creditors of the company, a full and true report, and as far as may be up to the day of the framing thereof, of the state and prospects and of the assets and liabilities of the company, together with any other matter which by any rules of the company they shall be bound to set forth in reports to be made by them. 10

(6.) *Transfers.*

Shares not to be transferred when company is being wound up.

26. No share in a company under this Part of this Act shall, unless the whole amount of such share be fully paid up, be transferred in any such company after the presenting of a petition for the winding-up thereof, unless such petition shall have been dismissed or proceedings thereunder stayed altogether. 15

Name of transferee to be entered on register.

27. Save as hereinafter mentioned, no such share shall be deemed to be transferred unless and until the name of the transferee be entered as such transferee in the registrar of shareholders. 20

To be entered by the manager in what case.

28. When any person shall produce to and leave with the manager of a company any scrip certificate thereof, upon which shall be written a blank form of transfer of a share represented thereby, signed by the person whose name shall then appear on the register of shareholders as the holder of the said share, and shall name to the manager as transferee thereof either himself or some person for whom he shall be authorized, by a writing to be produced to and left with the manager, to act as agent, the manager shall give to such person a receipt for such scrip, signed by him as manager, dated of the day upon which it shall be given, describing by its number and otherwise as may be the share represented by the scrip, and setting forth that the scrip has been left with him for the purpose of transferring the said share from the person in whose name it shall so appear on the register as aforesaid to the person named to the manager as the transferee, and shall within seven days from such day, if no call shall be due on the share, enter in the register of shareholders the name of the person so named to him as transferee, and shall thereafter, when required, deliver to such person, or to his agent for him, a new scrip for the share so transferred, filled up with the name of the person who shall then be the transferee: Provided that in no case shall any such transfer be made to a person under the age of twenty-one years. 25 30 35 40

On default of manager, receipt to be title to share.

29. If the manager shall not make the entry in the register as and when he is in the preceding section required, the said receipt shall, after the lapse of the said seven days, entitle the person thereby named as the intended transferee of the share to be deemed the transferee thereof, and he shall be entitled to apply to the Court or the Judge thereof, under the provisions hereinafter contained, for an order directing the manager to duly enter in the register the transfer of the said share. 45 50

Trust on fraudulent transfer incapable of being enforced.

30. If any person being a shareholder in any such Company shall, with the view of evading the liabilities incident to his share, transfer the same upon some trust or understanding under or according to which he is to be entitled at any future time to have retransferred to him or to resume the ownership of or to have any interest in such share, such person shall be disabled from enforcing in any Court any trust for him in such share. 55

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31. Any person desirous of freeing himself from a share in a company may transfer the same to the company, and on production to the manager by him or his agent authorized in writing of the scrip representing the share to be transferred, whereon shall be written a transfer of the share to the company signed by the person who shall then appear on the register of shareholders as the holder of the share, and if the person producing the scrip be an agent, on production and leaving with the manager his authority, the manager shall, on being requested by the person producing the scrip to accept a transfer of the share for the company, give to such person a receipt of the like import to that mentioned in the twenty-eighth section hereof, save that it shall name the company as the transferee, and shall within seven days from the day of the date of the receipt, if no call shall be due on the share, enter in the register of shareholders the name of the company, or of some trustee on its behalf, as the transferee thereof: Provided that if any person desirous of so freeing himself from a share shall be a director of the company or manager thereof, he shall, twenty-one days before taking any steps for that purpose, give to the manager a notice in writing stating his intention so to free himself from such share. And on receipt of such notice, the manager shall cause the same to be affixed and maintained for such period of twenty-one days in some conspicuous public part of the office of the company; and in addition to giving such notice, the person so desiring to free himself from such share shall cause a like notice as hereinbefore mentioned to be published at least twice in some public newspaper circulating in the district where such company shall carry on operations.

Shares may be transferred to the company.

32. If the manager shall not make the entry as and when he is in the preceding section required, the said receipt shall after the lapse of the said seven days be conclusive evidence that the share has been transferred to the company; and thenceforth the person by whom or on whose behalf the transfer was required shall be freed from the share and all liability thereon, except for any liability incurred prior to the transfer thereof: Provided that in so far as respects any such liability as last mentioned, such person shall be deemed to be a contributory under the provisions hereinafter contained in cases where it may be necessary to determine who are contributories.

On default of manager receipt to be proof of transfer.

(7.) Register of Shareholders.

33. The shares in a company shall be numbered in consecutive order, and the manager shall keep or cause to be kept, in a book appropriated to the purpose, a register of the shareholders in the company, and there shall be entered therein the particulars following:—

Register of shareholders.

- (1.) The names and addresses, and, if known, the occupations of the shareholders in the company.
- (2.) The shares held by each shareholder, distinguishing each share by its number, and the amount paid or (if any) agreed to be considered as paid on the shares of each shareholder.
- (3.) The date at which the name of any person was entered in the register as a member, and the date at which any person ceased to be a member.

34. Such register shall at all times be opened free of charge for the inspection of creditors or shareholders, and shall be *prima facie* evidence of the truth of all matters therein contained which are by this Act required or authorized to be inserted therein.

Register to be open to creditors and shareholders, and to be *prima facie* evidence of matters therein. Rectification of register.

35. On the application to the Court or the Judge thereof of any member of the company, or of the company, or any person claiming to be interested as transferor or transferee of a share, complaining that the name of any person is or remains improperly entered in or omitted

from the register, the Court or Judge shall decide the question, and, if it shall be right so to do, direct that the register shall be rectified accordingly, and to that end may order the manager to enter any person as transferee of a share, and give to such person the proper scrip, and may make such other order and as to costs as shall be just. The Court may on such application decide on any question relating to the title of any party thereto to have his name entered in or omitted from the register, whether such question shall arise between two or more members or alleged members or between any such members and the company, and generally may decide any question necessary or expedient to decide for the rectification of the register.

(8.) *Books of Account.*

Books of account to be kept.

36. The manager of a company shall keep true accounts of the affairs and transactions thereof.

Half-yearly statements.

37. The directors of a company shall cause half-yearly statements of such affairs and transactions to be made, and a printed copy of such half-yearly statement shall be forthwith served upon the Registrar, accompanied by a statutory declaration verifying the same. No book or document belonging to a company shall be liable to be seized in execution for any debt, or, except as herein provided, to be taken under any judgment decree or order of any Court out of the control of such company; and the Colonial Treasurer is hereby empowered to prescribe from time to time the form in which the books of account and half-yearly statement of every company shall be kept, and the directors shall keep such books and prepare such statement according to the form so prescribed.

Books to be open to inspection.

38. Books of account and such statement, verified by the statutory declaration of the manager, and also the reports of the directors as hereinbefore directed to be made, shall during office hours be open to the inspection of the shareholders in and creditors of the company: Provided that for the inspection of any such accounts or statement there shall be paid one shilling to the manager, for the benefit of the company.

Copy of statement and accounts to be furnished.

39. A copy of any such statement or of such accounts shall, within two days after service upon the manager of a notice in writing by any creditor or shareholder in the company of which he shall be manager requesting the same, be furnished by him to the person so requesting, provided that at the time of the service of the notice the sum of ten shillings be paid to him for each of the said copies as shall be required. The accounts a copy of which is to be furnished, may be limited at the manager's discretion to three months, ending with the day of the service of the notice. Every copy furnished under this section must be certified by the manager as true, and be signed by him.

(9.) *Contracts.*

Contracts how made varied or discharged

40. Contracts on behalf of any company may be made varied or discharged as follows (that is to say):—

(1.) Any contract which if made between private persons would be by law required to be in writing under seal, may be made varied or discharged in the name and on behalf of the company in writing under the common seal of the company.

(2.) Any contract which if made between private persons would be by law required to be in writing and signed by the parties to be charged therewith, may be made varied or

discharged in the name and on behalf of the company in writing signed by any person acting under the express or implied authority of the company.

- (3.) Any 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 varied or discharged by parol in the name and on behalf of the company by any person acting under the express or implied authority of the company.

(10.) *Extraordinary Meetings.*

41. An extraordinary meeting of a company shall be convened by inserting in a newspaper published in the chief town of the Province where the company shall carry on operations, in two numbers thereof, in each of two consecutive weeks, and in a newspaper circulating in the locality wherein the registered office of the company shall be situated, in one number thereof, in each of the same weeks, a notice signed by the manager of the company that on some day to be named therein, not to be earlier than twenty-one days after the day of the first of the said insertions in the newspaper published in the chief town of the Province as aforesaid, and at the hour and place to be therein stated, such meeting will be held; and such notice shall specify the nature of the business to be transacted, otherwise such meeting shall not have power to transact any business; and every such notice so given shall be sufficient without any other notice whatsoever, any rule of law or of the company to the contrary notwithstanding. The manager shall also post a written notice of such meeting outside the door of the registered office: Provided that whenever from any cause it may be inconvenient to send a written notice convening such meeting for publication in some newspaper published in the chief town of the Province as aforesaid, it shall be sufficient for the manager of the company to send such notice by the electric telegraph; and such notice shall for all purposes be deemed to be a notice in writing within the meaning of this section and for the purposes of this Act.

Extraordinary meetings.

42. Where by the instrument or deed of association or the rules of a company it shall be or is provided that an extraordinary meeting of shareholders may or shall be convened by the directors or manager on being requested to do so by the holders of a specified number of shares in the company, if for five days after such request the directors or manager, as the case may be, shall refuse or neglect to convene such meeting, the shareholders requesting such meeting to be called, or the majority of them, may sign all such notices and do all such acts as shall under such instrument or rules be necessary for the purposes of convening an extraordinary meeting of shareholders of such company, and any such meeting so convened shall have the same power in every respect as if such meeting had been convened by such manager in the manner directed by any such instrument or rules.

Extraordinary meeting, when manager refuses to convene.

43. In the absence of any rule to the contrary, every shareholder may vote at any meeting of the company by proxy given by a writing signed by such shareholder, but every such proxy shall be a proxy given for a special purpose.

Voting by proxy.

(11.) *Increase of Capital.*

44. Any company may, after the final call has been made, with the sanction given at an extraordinary meeting thereof of a majority consisting of not less than two-thirds in number and value of the shareholders in such company, in person or by proxy, from time to time increase its capital, by the issue of new shares; every such increase

Capital may be increased.

to be of such amount, and to be divided into shares of such respective amounts, as such majority shall direct.

Notice of the increase of capital.

45. Notice of the resolution for the increase of capital, setting forth the mode and particulars of the increase, and headed with the name of the company, shall immediately after such meeting be inserted 5
by the manager in the *Gazette*, and in one or more than one newspaper published in the chief town of the Province where the company shall carry on operations, and one or more newspapers circulating in the neighbourhood of the registered office of the company. Any such new shares shall not for the space of fourteen days after the 10
latest of the said publications be open to the public, but only to the shareholders in the company. Such new shares may be made preference shares, and may be issued upon such terms as such majority shall direct.

Notice of increase of capital.

A similar notice, signed by the manager and by two at least of the directors of the company, and in the form or to the effect directed by 15
the Fourth Schedule to this Act, verified by the statutory declaration of the manager in the form contained in the same Schedule, shall be lodged with the Registrar within fourteen days from the time at which such increase shall have been resolved on; and such notice shall be filed by the Registrar with the memorandum originally lodged by the 20
company, and shall, or a copy thereof purporting to be signed by the Registrar, be conclusive evidence that such increase was legally and properly resolved upon, and, as the case may be, of the increased amount of the shares, or of the number amount and nature of the new shares.

Fourth Schedule.

Copy of notice evidence that increase of capital was rightly effected.

New capital to be deemed part of original capital.

46. Any capital raised by the increase of capital shall, subject to 25
the provisions aforesaid, be considered as part of the original capital, and be subject to the same provisions, with reference to the payment of calls or otherwise, as if it had been part of such original capital.

(12.) *Power to borrow Money and to Mortgage.*

Power to borrow money and to mortgage.

47. Any company may, with the sanction of such majority given 30
at such meeting as last aforesaid, from time to time borrow money, not exceeding such sum as such majority shall direct, and may secure the repayment thereof, or of any sum previously borrowed or liability incurred by the directors of such company, and interest thereon, by a mortgage or bill of sale of the property of the company or any 35
part thereof.

Mortgage and bill of sale ineffectual until registered.

48. No such mortgage or bill of sale shall have any effect unless and until it shall have been registered or filed with the Registrar in like manner as bills of sale are now or may hereafter be required by law to be filed, and the provisions of "The Bills of Sale Act, 1867," and 40
any Act amending the same, are hereby declared to be applicable to bills of sale and mortgages under this Act; and all such mortgages and bills of sale affecting the same property shall have priority according to the respective times of registration and filing, and, so soon as the same shall be sealed with the company's seal and registered, shall bind 45
the company, whether any preliminaries hereby required shall have been observed or not.

(13.) *Dividends Payable only out of Profits.*

Dividends payable from profits only.

49. No dividend shall be payable to the shareholders of any company except out of the profits arising from the business of such 50
company. If any director of a company shall wilfully pay or permit to be paid any dividend otherwise than out of such profits, he shall be liable to a penalty of not less than one hundred pounds nor exceeding five hundred pounds, and in default of payment thereof to imprisonment for a period of not less than three nor exceeding twelve months, and 55
shall also be liable to the creditors of the company for the amount of the debts due by the company to them respectively, to the extent that the dividends so paid shall have exceeded the profits, and such amount

Directors paying dividends otherwise to be personally liable.

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may be recovered by the creditors, or the liquidator suing on behalf of the creditors. If the whole shall be recovered from one director, he may recover contribution against any other director who shall have also made or permitted such payment.

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(14.) Calls.

50. The calls upon shares in every company shall be made in such time and manner as that they shall be payable on the second Wednesday in a month, and on that day only; such day not to be less than seven days from the day on which the call shall be made. A notice shall be printed on the face of each company's scrip, stating that that day is the day on which calls are payable. When a call shall have been made, notice of the day when it will be payable, and of the place for payment thereof, shall be published in a daily newspaper published in the chief town of the Province where the company shall carry on operations, and in one or more papers circulating in the locality wherein the registered office of the company shall be situated.

Calls to be due on second Wednesday in any month.

51. When a call shall have been made, no subsequent call shall be made until after the expiration of fourteen days from the day when the call so made shall be payable.

No call to be made until previous call payable.

52. The amount of any call which for the time being may be unpaid upon any share in a company shall, on and from the day when it shall be payable, be deemed to be a debt due from the holder of such share to the company, and shall, provided proceedings for the purpose be commenced within fourteen days from that day, be recoverable with interest thereon and costs of suit by the manager, describing himself in any proceeding therefor as manager of the company to whom the call shall be due, in any Court of competent jurisdiction; and payment of any number of calls due by a shareholder may be enforced in one and the same proceeding.

How calls recoverable.

53. In any such proceeding it shall be sufficient to state in the complaint or summons that the defendant, or, if the proceedings be against an executor or administrator of a deceased shareholder, that the shareholder was at the time of his death and his estate still is indebted to the company in the sum due for the call, setting forth the day upon which the call was due and the sum claimed for interest thereon; and a resolution purporting to be a resolution of the directors of the company declaring a call to be due on that day, appearing in the book in which such a resolution ought to be entered, or a copy of such resolution verified as being such by the statutory declaration of the manager, whose signature or handwriting thereto it shall not be necessary to prove, shall be *prima facie* evidence that such call was duly made, and proof that the person taking such proceeding was at the commencement thereof acting as manager of the company, shall be sufficient proof of his appointment as such: Provided that if, pending any such proceedings, the manager shall by death resignation or otherwise cease to be such, the name of the succeeding manager shall, on such evidence as the Court before which the proceedings shall be pending shall think sufficient that he is the succeeding manager, be substituted in the proceedings for the name of the manager so ceasing, after which the character of the succeeding manager as such shall not be disputed, and the proceedings shall be carried on in his name.

What to be stated and proved on suing for calls.

54. Any share upon which a call due thereon shall at the expiration of twenty-one days after the day upon which it shall be due be unpaid, shall thereupon be absolutely forfeited, without any resolution of directors or other proceeding, provided that no proceeding for the recovery of the call shall during fourteen days after the day on which such call shall have become due have been commenced. If any such proceeding shall be taken, and the amount of any judgment or order obtained thereon against the shareholder shall not within twenty-

Forfeiture of shares for non-payment of calls.

one days after such judgment or order shall be obtained be paid, or cannot within that time be levied out of any property of the shareholder, the share shall at the end of the said twenty-one days be absolutely forfeited, without any such resolution or proceeding as aforesaid.

Forfeited shares to be sold by auction.

55. Every forfeited share shall be sold by public auction advertised in a daily newspaper published in the chief town of the Province where the company shall carry on operations, and in one or more papers circulating in the locality wherein the registered office of the company shall be situated, not less than seven nor more than fourteen days before the day appointed for the sale, and the proceeds shall be applied in payment of the call due thereon and of the expense of such advertisement, and any other expenses necessarily incurred in respect of the forfeiture, and, in case of any proceedings having been taken for the recovery of the call, of all costs and expenses incurred against the shareholder in respect of such proceedings; and the balance (if any) shall be paid to him upon his delivering to the company the scrip representing such forfeited share. 5 10 15

Redemption of forfeited shares.

56. Notwithstanding anything hereinbefore contained, any person a share belonging to whom shall have been forfeited as aforesaid, shall be entitled at any time up to or on the day previous to that upon which it is intended to sell the share to redeem the said share, by payment to the manager of all calls due thereon, and of all expenses incurred by the company in respect of the forfeiture, and of all costs and expenses of any such proceeding as aforesaid which may have been taken; and upon such payment the manager shall re-enter the name of such person in the register of shareholders, and he shall thereupon be entitled to the share as if the forfeiture had not been incurred. 20 25

Office to be open the day before sale advertised.

57. On the day previous to that on which a forfeited share is to be advertised for sale, the company's office shall be open during the hours for which, on days when it is by the rules of the company to be open, it is by such rules to be kept open. 30

(15.) *Rules of Company.*

Company may make rules.

58. The majority in number and value of the shareholders in any company may from time to time, both before and after incorporation, make and alter rules for the management and purposes of the company not inconsistent with this Act; but if any such rule shall be made or altered after incorporation, it shall be made or altered only at an extraordinary meeting of the shareholders. A copy of every rule made or altered by a company shall immediately after the making or altering thereof be filed in the office of the Registrar. 35 40

PART II.

WINDING-UP.

(1.) *When and how Winding-up is to be effected.*

When companies may be wound up.

59. A company may be wound up by the Court in any of the events following (that is to say)— 45

- (1.) When at an extraordinary meeting of any such company a majority in number and value of the shareholders therein shall have passed a resolution requiring the company to be so wound up.
- (2.) Where a company shall not have taken *bonâ fide* steps towards the commencement of its business within six months from the date of its incorporation, or shall suspend its business for the space of a whole year. 50
- (3.) When the company is unable to pay its debts.
- (4.) When a company has made a conveyance or assignment of its property to a trustee or trustees for the benefit of its creditors generally. 55

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(5.) When a company has made a conveyance gift delivery or transfer of its property, or of any part thereof, with intent to defeat or delay its creditors.

(6.) When the Court shall be of opinion that it is just and equitable that the company should be wound up.

5 **60.** A company under this Part of this Act shall be deemed unable to pay its debts—

Company, when unable to pay its debts.

10 (1.) When a creditor by assignment or otherwise, to whom such company is indebted at law or in equity in a sum exceeding fifty pounds then due, shall have served on the company a demand under his hand, requiring the company to pay the sum so due, and the company shall have for the space of six weeks succeeding the service of such demand neglected to pay such sum, or to secure or compound for the same to the reasonable satisfaction of the creditor.

15 (2.) When any execution or other process issued on a judgment decree or order in favour of any creditor, in any action suit or other legal proceeding instituted by such creditor against a company, shall be returned unsatisfied, either in whole or in part.

20 (3.) When it shall be proved to the satisfaction of the Court that the company is unable to pay its debts.

25 **61.** Any application for the winding-up of a company shall be by petition addressed to the Court by the company, or by one or more than one shareholder therein or creditor thereof, or by any of such parties together, and such petition may be presented *ex parte* to the Court, or in any part of the Colony to the Judge thereof: Provided that seven days previously to the presenting thereof a notice of the intention to present the same shall be served at the company's office.

Winding-up to be by petition.

30 **62.** A petition for winding-up a company shall be entitled in the matter of this Act and of the company to which the petition shall relate, and shall set forth the character of the petitioner whether company shareholder or creditor, and the event on the alleged occurrence of which the winding-up shall be sought; and in case the winding-up shall be sought on the ground mentioned in the sixth paragraph of the fifty-ninth section, the petition shall set forth the reasons for which the petitioner submits that it is just and equitable that the company should be wound up, and the petition shall then pray that the company may be wound up, and shall be signed by the party presenting the same, and if presented by a company be sealed with its seal. It shall if presented by a company be signed by and verified by the affidavit of the manager or a director thereof; and if presented by any other person, by his affidavit, or, if such other person be a creditor, by the affidavit of any person on his behalf who can depose to the facts.

Frame of petition.

45 **63.** On the presentation of the petition, the Court or Judge may thereupon either grant or refuse the prayer thereof, or may order that it shall be heard before the Court on a day and at a place within its district to be named in the order. If a Judge of a District Court, on such presentation, shall make an order for winding-up, he shall as part of the order direct at what place of the sitting of his Court the winding-up proceedings are to be carried on, and shall direct such notice and upon such parties of such proceedings to be served as he shall think fit. If on such presentation a hearing of the petition at a future day shall be ordered, the Court or Judge so ordering shall direct such notice and upon such parties to be served of such hearing as it or he shall think right.

Proceeding on presentation.

50 **64.** On the coming on of any such hearing or on any adjournment thereof, and on proof of such service of the said notice of hearing as the Court shall think sufficient, and on such further evidence (if any) as the Court may require and can be obtained in relation to the

Hearing of the petition.

facts averred in the petition, the Court may make such order as it shall think right, either for a winding-up of the company or for dismissal of the petition, or may on sufficient cause therefor being shown adjourn its decision, conditionally or unconditionally, for any reasonable time, and may make such order as to costs as it shall think just. 5

Order to fix a day and place for meeting of creditors.

65. Every winding-up order shall appoint a day and place for a general meeting of the creditors of the company, and shall be served on such parties and in such manner as the Court shall direct. 5

Form of order.

66. Any such order may be in the form in the Fifth Schedule hereto or to the like effect, and if made by a Judge shall be entitled as of the Court of which he shall be Judge, as in the form in the Schedule referred to. 10

Fifth Schedule.

Advertisement and notice of order.

67. Within ten days after any such order shall have been made, the petitioner shall advertise the same in one or more than one newspaper published in the chief town of the Province where the company shall carry on or have carried on operations, and in one or more than one newspaper circulating in the neighbourhood of the place where the registered office of the company shall be or have been situated. 15

Commencement of the winding-up.

68. When an order for winding-up shall be made, the winding-up shall be deemed to have commenced at the time of the presentation of the petition therefor. 20

Order to be filed with company's memorandum.

69. On the making of any such order, a copy thereof, certified and signed by the Registrar of the Supreme Court at the place where such order may have been made, or by the Clerk of the District at such mentioned place (as the case may be), shall be forwarded to the office of the Registrar of the Supreme Court at the place where the company shall be registered, where it shall be filed with the memorandum originally lodged by the company. 25

Property of company shall vest in Registrar or Clerk.

70. Immediately upon the making of such order, the property of the company ordered to be wound up shall vest in the Registrar or Clerk, as the case may require. 30

No petition by creditor whose debt is due one year.

71. No petition shall be presented by any creditor after the lapse of one year from the time when his debt shall have been due and payable, or, if judgment shall have been obtained thereon, from the time when such judgment shall have been obtained. 35

(2.) *Stay of Previous or of Winding-up Proceedings.*

Previous legal proceedings may be restrained.

72. At any time after the presentation of a petition for the winding-up of a company, the Court may, upon the application of the company, or of a creditor of, shareholder in, or contributory to it, restrain further proceedings in any action suit or proceeding against the company, upon such terms as the Court shall think fit; and after any such order shall have been made, no suit action or other proceeding shall be continued or commenced without the leave of the Court, and subject to such terms as the Court may impose. 40

Winding-up proceedings may be stayed.

73. The Court may at any time after the making of a winding-up order upon the application of any such creditor shareholder or contributory, and upon being satisfied that the proceedings upon such order should be stayed, make an order staying the same, either altogether or for a limited time, on such terms as it shall think fit. 45

(3.) *Liquidator.*

Appointment of liquidator.

74. The creditors of the company shall, on the day and at the place appointed for their meeting, by resolution appoint some fit person, whether a creditor or not, to be liquidator of the estate of the company, at such remuneration (if any) as they may from time to time determine, and shall by resolution determine whether any and what security is to be given, and to whom, by the person so appointed. 50 55

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75. No such appointment shall be effectual without the sanction of the Court, but the Court may upon the acceptance in writing of office by the person so appointed, and upon being satisfied that the requisite security (if any shall be required) has been given, make an order confirming his appointment.
76. A liquidator may resign his office, but only with the sanction of the Court and subject to such order as the Court may think it right to make, and on such resignation the Court shall make such orders as may be necessary for the preservation and administration of the estate of the company until a new liquidator shall be appointed. No such sanction of the Court shall prevent a liquidator so resigning from being liable to account as such to any subsequent liquidator.
77. The creditors may at any meeting by resolution remove the liquidator, and on the vacancy of the office of liquidator by any such removal, or by the resignation or death of a liquidator, the creditors may, subject to such sanction and order of confirmation, and with such remuneration and upon the giving of such security as aforesaid, appoint another person to fill the office so become vacant.
78. The creditors may at any of their meetings attend and vote by proxy or in person.
79. Any successor to a liquidator shall during his continuance in office have all the powers, perform all the duties, and be subject to all the responsibilities which his predecessor if he had continued in office would have had, should have performed, and would have been liable to.
80. Any such successor may after the confirmation of the order of his appointment, with the sanction of the Court, adopt any proceedings then pending which may have been taken by his predecessor in office, whether by suit action or otherwise, or may with such sanction repudiate any such proceeding.
81. The Court shall have power, on the application of the company or any creditor thereof, or contributory as hereinafter described thereto, to make an order that the remuneration of the liquidator shall be withheld in the whole or in part if the Court shall think that, by reason of his conduct, such order would be proper.
82. Immediately upon the making of an order confirming the appointment of a liquidator, the property of the company ordered to be wound up shall be divested out of the Registrar or Clerk and shall vest in such liquidator, and, on the making of an order confirming the appointment of any successor to him, shall so far as it shall then exist vest in such successor.
83. After the making of any such order, the Court shall direct that the manager of the company shall deliver to the liquidator, upon or before a day named in the order, the register of the shareholders in the company, and all books and documents and other property belonging or relating to the company in his possession or under his control, and shall make such order as against any other person in whose possession or under whose control such register or any such books or documents or other property may be; and such manager or other person shall at the time of making such delivery lodge with the liquidator a list of such books documents and property, with a statutory declaration subscribed thereto, made by such manager or other person, stating that there are no books or documents or other property belonging or relating to the company in his control other than those mentioned in the said list; and no manager director solicitor or other person shall have any lien for salary costs or otherwise upon any of such books documents or property after any such order shall have been made.
84. The liquidator may with the sanction of the Court employ any person to be his clerk, to assist him in the winding-up of any company.
85. Every liquidator, and any such clerk employed by him, shall be deemed to be an officer of the Court, and shall be amenable to it to

Appointment of liquidator to be sanctioned by the Court.

Liquidator may resign his office.

Appointment of successor to liquidator removed resigning &c.

Creditors may vote by proxy or in person.

Powers and duties of a succeeding liquidator.

Adoption of proceedings by liquidator's successor.

Remuneration may be withheld from the liquidator.

On confirmation of appointment of liquidator, company's property to vest in him.

Manager &c. to lodge register book and documents with the liquidator.

Clerk of liquidator.

Liquidator and his clerk to be officers of the Court.

the same extent as any officer of the Supreme Court is amenable to such Court.

Liquidator to have an office.

86. The liquidator shall have an office situate in such locality as the Court by the order confirming his appointment shall direct as the most convenient place for the administration of the affairs of the company. He or his clerk shall attend daily at such office during the usual hours for business in such locality, and service during these hours at such office of any notice intended for the liquidator shall be good service upon him. 5

Liquidator to keep accounts.

87. The liquidator shall keep in the said office proper books of account of the assets and liabilities of such company, and of his receipts on account thereof, and of their disposal; and such books, and all other books belonging or relating to the company in his possession or under his control, shall, during such hours as aforesaid, be open every day during his acting in such winding-up to the inspection of the shareholders in and creditors of and contributories as hereinafter described to the company; and on request by any such shareholder creditor or contributory, and payment of ten shillings, he shall give to him a copy signed and certified as true by him the said liquidator of the said accounts, as existing at the time of such request. 10 15 20

Books to be open to inspection of shareholders and creditors.

Liquidator to submit to examination.

88. The Court may, on the application to it of any such shareholder creditor or contributory, order that the liquidator shall submit to an examination on oath before the Court, at any time which the Court shall appoint, by a barrister or solicitor on behalf of such shareholder creditor or contributory, touching the said accounts; and he shall then answer such questions as may be asked of him, subject to the control of the Court, and the Court shall on such examination make such order as it shall think the case requires, and also as to the costs of the examination as it shall think fit. 25 30

(4.) *Course to be pursued by Liquidator.* 30

Liquidator to take possession of and realize property.

89. As soon as may be after the making of the order confirming the appointment of the liquidator, he shall take possession of the property of the company, and shall with all reasonable speed sell such part of the same as shall not be money by public auction or private contract, together or in parcels as shall be most prudent; and the proceeds of such sale or sales, as also all other moneys received by him on account of the company, he shall pay into some bank to be fixed upon by the Court and stated in the order confirming his appointment, to the credit of an account to be entitled "In the matter of the Winding-up of the Company." 35 40

Liquidator to sue for calls.

90. The liquidator shall also, as soon as may be after the making of such order, collect, and if necessary sue for and recover by any of the modes by which the manager of the company might have done so, and which he is hereby empowered to do, all calls which previously to the commencement of the winding-up may have been made and shall be unpaid in respect of shares which shall not have been forfeited; and any moneys received or recovered by him in respect of such calls shall be paid into the bank and to the account aforesaid. Section fifty-three of this Act shall apply to any proceeding by the liquidator under this present section, the word "liquidator" being for the purpose of such application substituted for the word "manager." 45 50

Money in the hands of others to be paid into a bank.

91. After the making of any such order, the Court may direct that any bank banker or other person having in its or his hands any money to which the company is *prima facie* entitled shall show cause, within such time as the Court shall direct, why such bank banker or other person should not forthwith, or within such time as the Court shall direct, pay the same into the bank so fixed upon by the Court as aforesaid to the said account. 55

Advertisement for creditors to come in and prove.

92. The Court shall, by its order confirming the appointment of the liquidator, fix upon a day upon which the creditors of the company 60

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are to come in and prove their debts before the Court, such day to be fixed so as to afford time for the notice thereof hereby required; and the liquidator shall insert in one or more than one newspaper published in the chief town of the Province within which such company shall carry

5 on or have carried on operations, and in one or more than one newspaper circulating in the district within which the company's registered office is or was situated, in two consecutive numbers of such newspaper, or, if more than one, of each of them, a notice of such day, the last of which insertions must be not less than twenty-one days previous

10 thereto, and requiring the creditors to come in and prove their debts on the said day before the said Court, and stating, as is hereby enacted, that any creditor not so coming in shall be excluded from the benefit of any distribution made before the debt of any such creditor shall be proved.

15 **93.** Proof of a debt by affidavit shall be sufficient, unless the company or any creditor of, shareholder in, or contributory to it shall require further proof of such debt; and any creditor shareholder or contributory may at any time, by notice to any person claiming to be a creditor of the company, require such person, whether he shall have

20 previously given any proof of the debt claimed by him or not, to appear before the Court on a day not to be less than seven days from the time of the service of the said notice, and prove in the ordinary course of law the debt so claimed by him; and in default of his so appearing or of proving to the satisfaction of the Court the debt so claimed or any

25 part thereof, such debt or such part thereof as shall not be so proved shall not be inserted in the statement next hereinafter mentioned, or if inserted therein shall be struck out by the Court. Any affidavit in proof of debt may be sworn before a solicitor of the Supreme Court or a Justice of the Peace.

Proof of debts by affidavit.

(5.) *Contributories.*

30 **94.** If the assets of the company ordered to be wound up shall not be sufficient for payment of its debts and liabilities, and of the costs charges and expenses of the winding-up, and of such sums as may be required for the adjustment amongst themselves of the rights of the

35 contributories herein described, the following persons shall be liable to contribute to such assets, such persons being hereinafter called contributories to the company:—

Who are to be contributories.

- (1.) The persons who at the time of the commencement of the winding-up shall be registered in the register of shareholders as holding shares in the company, and the amount of whose shares shall not have been fully paid up.
- (2.) The real and personal representatives in a due course of administration of any shareholder who if living would have been a contributor.
- (3.) The assignee or trustee in insolvency or committee in lunacy of any such shareholder, in the representative capacity of such assignee trustee or committee.
- (4.) Any married woman in whose name any share in the company shall be registered in the company's books.
- (5.) Any person who may be chargeable with any liability for or in respect of a share transferred to the Company under the thirty-first section of this Act, and as provided in the thirty-second section thereof."

55 But no contribution shall be required from any contributory exceeding the amount unpaid on the share in respect of which the contribution shall be required.

(6.) *Statement of Assets—List of Contributories—Settling thereof and Proceedings thereunder.*

Statement of assets and debts.

95. After the realization of the company's property, including the recovery of such calls as the liquidator shall be able to recover, he shall prepare a statement which shall show the assets of the company, distinguishing the sum or sums produced by the sale or sales of the company's property, and also all other moneys received or recovered by him or paid in on account of the company, and also showing from and by whom and on what account received or paid in, and also setting forth a list of the debts proved, and, as far as shall then be known, of the sums which may be required for the adjustment of the rights of the contributories amongst themselves; and in case such assets shall not be sufficient to liquidate the debts of the company and for payment of such sums as aforesaid, further stating what contribution per share, so far as the liability thereon will permit, will for those purposes be required from the contributories; and shall also in that case set forth a list of the contributories of the said company, with, annexed to the name of each contributory, the number of shares held by him and the sum to be paid in respect of such shares. The contribution to be made shall be such a sum upon each share (not exceeding the amount unpaid thereon) as, if paid on every share, would be sufficient with the assets of the company to liquidate its debts.

And list of contributories.

Statement and list of contributories to be lodged in liquidator's office, and published in newspapers.

96. The liquidator shall lodge such statement in his office, and immediately after the preparation thereof shall insert in one or more than one newspaper published in the chief town of the Province where the company shall carry on or have carried on operations, and one or more than one newspaper circulating in the district in which the company's office was situated, in two consecutive numbers of such newspaper, or if more than one, of each of them, a notice that such statement has been so lodged, and, in case such contributions as aforesaid shall be required, that a list of contributories is comprised in the said statement, and that on a day to be named in the said notice, not to be less than twenty-one days from the last insertion thereof, the said list of contributories will be settled by the Court; and that on that day, or any day to which such settling shall be adjourned, any objections to the said list by any contributory or creditor will be heard and adjudicated upon by the Court.

Settling of list of contributories.

97. Upon the day fixed for settling the list of contributories, or upon such other day to which such settling or the continuation thereof may be adjourned, and at which settling the liquidator shall be present, the Court shall, after hearing any objections and answers to the list which may be urged by the company or any contributory or creditor, or by the liquidator, and on being satisfied that the contributions mentioned in such list will be necessary for the purposes aforesaid, settle such list amending or altering the same if proper to do so, and with power on such settling to rectify the register of shareholders in all cases where such rectification is required for the purposes of justice.

Order on contributories to pay.

98. After such list shall be settled the Court shall make an order that the persons whose names shall be then thereon as contributories shall respectively pay the respective amounts which shall then be annexed to their names respectively, and such order shall be filed by the clerk.

Notice to contributories.

99. Immediately after the making of the said order, the liquidator shall send by post, in a prepaid letter, to each contributory, a notice of the sum to be paid by him, setting forth the respective numbers of the shares in respect of which contributions are due, and the respective amounts of such contributions, and requiring such sum to be paid to him the said liquidator within twenty-one days after the insertion of the

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last of the said advertisements. Such notice shall be deemed to have been served at the time when the letter containing the same would be delivered in the ordinary course of the post, and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post office.

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100. At any time after the making of the said order, any person named as a contributory on the said list may, on notice to the liquidator, apply to the Court or the Judge thereof that his name be removed from the said list, or that he be rated at a sum less than that which by the said list he is charged with ; and the Court or Judge shall thereupon make such order as shall be right, and in the latter case, if so ordered, the order for payment of contributions shall apply to such lesser sum.

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Contributory may apply for removal of his name from list.

101. The order for payment of contributions shall, as against each contributory personally liable, have the same force and effect as a judgment or order of the Court, and may after the lapse of the said ten days be enforced by the liquidator in his official capacity in the same manner and by the same process as any such judgment or order may be enforced. If any such contributory shall be liable in a representative capacity, the amount payable by him under the said order may be recovered by the liquidator, in the case of a real or personal representative, in any Court of competent jurisdiction ; and in the case of the assignee or trustee of the estate of an insolvent or person whose estate is under any law or statute for the time being in force within the Colony relating to bankruptcy or insolvency, and obtaining thereout in due course of law such amount or such dividends thereon as can be obtained.

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Order to pay equivalent to an order of justice.

102. In case the full amount of the said contributions cannot be obtained, and the contributions ordered shall not have been to the full extent of the amount unpaid on the shares of the contributories, the liquidator shall prepare and lodge as aforesaid a further statement, setting forth the amount of the debts of the company still remaining unpaid, the amount necessary for their payment and for the payment of the other sums aforesaid, the names of the persons who are to contribute to that amount and the sum to be contributed by each ; and the same course as to advertising and settling the list of contributories in the last-mentioned statement shall be pursued as herein is directed in regard to the list in the first-mentioned statement, and a corresponding order shall be made thereon with the like force and effect, and in like manner enforceable and recoverable, and a corresponding notice thereof given ; and the person required to contribute may apply for a like order for removal of his name from such second list.

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Further contributions.

103. Before settling any such second list of contributories, the Court shall determine whether and to what extent the sums therein charged are necessary, having regard to the possibility or otherwise of recovering from any of the contributories in the first list the contribution or contributions theretofore charged against him or them or any part thereof ; and the Court shall allow the names on such second list to stand for such sums only as shall be necessary, having regard to such possibility or otherwise, but may afterwards amend such list by increasing the sums so allowed in case the inability to recover any contributions shall make the same necessary and shall be shown to its satisfaction.

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No contributory to stand on second list except so far as former contributories unable to pay.

104. In determining upon such possibility or otherwise, the Court, in any case where the liquidator shall state that he has not taken legal steps to enforce against any contributory the contribution ordered against him on the ground that such steps would be fruitless, may, on such evidence being given as it shall think sufficient of the truth of such statement, accept the same as proof of the impossibility of recovering such contribution, and act accordingly.

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When useless to proceed against a contributory.

Liquidator may prove in insolvency of or administer estates contributory.

105. The liquidator may prove, in the matter of the insolvency of any contributory, any contribution ordered to be paid or other debt due by such contributory to the company, and receive dividends in respect thereof, and if necessary, in order to obtain payment out of the estate of any deceased contributory of any contribution ordered to be paid by him, or other debt due by his estate to the company, take out letters of administration to such contributory, and bring any action or suit, or take any other legal proceeding and do any other act, that may be necessary for the purpose of recovering such contribution or debt, or for obtaining payment of any moneys due to or recovering the estate and effects of the company from a contributory or his estate, or from any other person or his estate, and which cannot be conveniently done in the name of the company; in all which cases the moneys claimed by him shall, for the purpose of enabling him to take such proceedings and recover such moneys, be deemed to be due to himself, and may also, with the sanction of the Court, defend any action suit or other legal proceeding.

Courts may control liquidator in any of such proceedings.

106. The Court may on the application of the company, or of any contributory thereto or creditor thereof, control the action of the liquidator in any of the matters in the next preceding section authorized, and on such application make such order in respect of such matters as it shall think fit.

How liquidator described in actions, &c.

107. In any action suit or other proceeding brought or taken by or against a liquidator, he shall be described by his proper name, followed by the words "Liquidator of the Company," inserting the name of the company in full.

(7.) *Plan of Distribution.*

Plan of distribution.

108. After the property of the company shall be realized and the contributions required and obtainable be paid, the liquidator shall, with the approval of the Court, prepare a schedule showing the amount of the assets, including the contributions and the liabilities of the company, the amount of moneys available for the claims in the matter of the winding-up, and the proposed plan of distribution thereof. Such schedule, as regards the said distribution, shall be as follows:—

	£	s.	d.
(1.) The costs charges and expenses incurred in the winding-up, as and to the extent which the Court shall direct
(2.) The remuneration of the liquidator and of his clerk (if any)
(3.) To any artizans, whether skilled or unskilled, or to any workman or labourers employed by the company in or about its mine, not exceeding one month's wages at current rates, provided so much shall have been actually and <i>boná fide</i> due when the winding-up order was made
(4.) Any rent which may be due by the company at the commencement of the winding-up, not exceeding twelve months' rent
(5.) The debts of the company, as far as such moneys will extend, having regard to any legal priority which may exist as amongst the said debts; and so far as there is no such legal priority the debts shall be paid <i>pari passu</i> , including the balance of any rent due after the payment of three months thereof, as above provided

Notice of plan of distribution.

109. Upon the completion of the schedule, the liquidator shall publish in the *Gazette* and also in some one or more newspapers

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having circulation in the district where the Company shall have carried on operations a notice stating that the schedule is open in his office for inspection by the contributors to and creditors of the company, and that the claims mentioned in the schedule will, after the lapse of
 5 twenty-one days from the publication of the notice, be paid at the said office.

(8.) *Distribution of Surplus.*

110. The Court shall adjust the rights of the contributors amongst themselves, and distribute any surplus that may remain amongst the
 10 parties entitled thereto. Distribution of surplus.

(9.) *Dissolution of Company.*

111. When the winding-up of a company shall be completed, the Court shall make an order that the company shall be dissolved from the day of the date of such order, and the company shall be dissolved
 15 accordingly; and by such order the Court shall direct the manner in which the books and documents of the company are to be disposed of. Order dissolving the company.

(10.) *Voluntary Winding-up.*

112. When at an extraordinary meeting of a company which shall not then be in debt, two-thirds in number and value of the share-
 20 holders therein shall have passed a resolution requiring the company to be voluntarily wound up, the said company may be wound up without resort to the Court; and such majority shall thereupon, by resolution, determine the course to be pursued by the directors for the purpose, and the mode of disposal of any surplus of the company's
 25 property which may remain after the completion of the winding-up; and on such a winding-up being completed, such company shall become dissolved, and the books and documents thereof be disposed of as such majority shall direct. Voluntary winding up.

PART III.

30 PREPAYMENT COMPANIES.

113. A company may be formed under this Act on a system to be called the "Prepayment System." In such a company, no part of its expenditure incurred at or previous to the time of making a call shall be paid out of the call, but some time before the commencement of
 35 each month the company shall make an estimate of the sum which will probably be required for its working expenses during such month, and which cannot be paid otherwise than by means of a call, and shall make a call of so much per share, not exceeding the amount unpaid thereon, and not exceeding the amount of a call as fixed by the com-
 40 pany's rules or deed of association, as shall be necessary for the payment of that sum, or so much thereof as the calls available will be sufficient to meet. Notice of the call shall be published in a daily newspaper published in the chief town of the Province where such company shall carry on operations, and in one or more papers circulating in
 45 the locality wherein the registered office of the company shall be situated, and shall require payment thereof at the company's registered office on the day on which calls are by the First Part of this Act to be due which shall occur next before the commencement of the said month, and the call shall from that day be a debt due by the share-
 50 holder to the company. Prepayment companies.

114. Any director of such company who shall incur or authorize any expenditure in the business of the company beyond what the sum realized by means of such call shall be sufficient to meet, unless such
 55 extra expenditure shall be made out of money borrowed with the sanction of an extraordinary meeting of the company or out of profits, shall be personally liable for such expenditure, and neither the company nor its property shall be liable therefor. Liability of director incurring extra unauthorized expenditure.

Application of Parts I. and II. to prepayment companies.

115. Subject as aforesaid, and also to the following qualifications, Parts I. and II. of this Act shall, so far as they are capable of doing so, apply to prepayment companies—

- (1.) In the memorandum to be lodged with the Registrar for the purpose of obtaining registration, the expression “with Prepayment” after the word “Limited” shall be used, and there shall be added in the entry by the said Registrar in the Mining Register Book, as required by section seven and in all other cases, to the name of every such company, the words “Limited, with Prepayment.”
- (2.) For section twenty-one shall as regards such companies be substituted the following section:—The manager for the time being of a prepayment company may make contracts on behalf of the company for the purchase of goods, or the performance of work and the supply of the materials for the same, to an amount in the aggregate not exceeding the sum which, at the time of making of any such contract, shall be standing to the credit of the company in respect of calls paid in. Every such contract shall be binding on the company and on the assets thereof, which assets may be seized and sold in execution in any action against such company upon any such contract, but no such contract shall be binding upon the manager himself.

PART IV.

NO-LIABILITY COMPANIES.

No-liability system.

116. Companies may be incorporated under this Act for mining purposes on a system to be called the “No-liability System.” Every company so incorporated shall add to its name the words “No-liability.”

Shareholder not liable to calls or contributions.

117. The acceptance of a share in any such company, whether by original allotment or by transfer, shall not be deemed a contract on the part of the person accepting the same to pay any calls in respect thereof, or any contribution to the debts and liabilities of the company; and such person shall not be liable to be sued for any such calls or contributions, but he shall not be entitled to a dividend upon any share upon which a call shall be due and unpaid.

Application of Part I. to no-liability companies.

118. Subject as aforesaid, and also to the qualifications following, Part I. of this Act shall, so far as it is capable of doing so, apply to no-liability companies—

- (1.) It shall be necessary that five per cent. of the subscribed capital shall be paid up prior to registration, and a statutory declaration made by the manager, verifying such payment, shall be filed with the Registrar.
- (2.) The memorandum to be lodged with the Registrar, for the purpose of obtaining registration of any such company shall be in the form and contain the statements in the Sixth Schedule hereto.
- (3.) In the entry to be made by the Registrar in the Mining Companies Register Book, as required by section seven, the words “No-liability” are to be added to the name of the company instead of the word “Limited,” and generally, instead of that word, the words “No-liability” are to be added as part of the company’s name.
- (4.) The following sections shall not apply to such companies:—Sections thirteen, twenty-six so far as it requires that on the transfer of a share the amount thereof shall be paid up, twenty-eight so far as it requires that on such transfer no sum shall be due for calls, forty-six so far as it relates to the payment of calls, forty-nine so far as it relates to the

Sixth Schedule.

liability of directors, fifty-two, fifty-three, fifty-four, and fifty-five.

- (5.) For sections fifty-four and fifty-five shall be substituted the following section:—Any share upon which a call shall at the expiration of fourteen days after the day for its payment be unpaid, shall thereupon be absolutely forfeited, without any resolution, of directors or other proceeding. The share, when forfeited, shall be sold by public auction advertised in one or more newspapers circulating in the district where the company shall carry on operations not less than ten nor more than twenty-one days before the day appointed for the sale, and the proceeds shall be applied in payment of the call unpaid thereon and of the expense of the advertisement, and of any other expenses necessarily incurred in respect of the forfeiture, and the balance (if any) shall be paid to the shareholder, on his delivering to the company the scrip representing the forfeited share.

Forfeiture of shares.

- (6.) No provision in the said Part relating to the liability of members of a company shall apply to no-liability companies.

119. Part II. of this Act, with the exception of all the provisions therein relating to calls or contributions, shall apply to the winding-up of no-liability companies.

Winding-up of no-liability companies.

120. If after all the liabilities of a no-liability company shall be discharged there shall remain any surplus of its property, the same shall be distributed amongst the parties entitled thereto, and after the complete distribution of the assets of the company the Court shall make an order that the company shall be dissolved from the day of the date of such order, and the company shall be dissolved accordingly, and the Court shall by such order direct the manner in which the books and documents of the company are to be disposed of.

Distribution of surplus.

PART V.

EXTENSION OF ACT TO OTHER COMPANIES.

- (1.) *Companies under "The Mining Companies Limited Liability Act, 1865."*

121. Any company registered under "The Mining Companies Limited Liability Act, 1865," or formed for mining purposes previously to the passing of this Act, may, with the consent of a majority in number and value of the shareholders in such company, present in meeting personally or by proxy, and with the consent in writing of the creditors (if any), be incorporated as a no-liability company.

Previously registered companies may be registered as no-liability companies.

122. Part IV. of this Act shall apply to any such companies seeking to be or becoming so incorporated.

Part IV. to apply in such case.

123. On the registration of any such company as a no-liability company, all liability of the shareholders for calls shall from thenceforth cease. In the event of the winding-up of such a company the shareholders shall not be bound to contribute to the debts or liabilities of the company.

On registration as a no-liability company, liability of shareholders to cease.

124. Until any company registered under "The Mining Companies Limited Liability Act, 1865," shall be registered as a no-liability company, it shall from and after the time of the commencement of this Act be deemed to be registered and incorporated under Part I. of this Act, and if after that time commenced to be wound up, shall be wound up under Part II. of this Act, the provisions of which shall in such case apply to such company; but the word "Registered" added to the name of any such company shall be sufficient without the word "Limited."

Until such registration to be deemed to be incorporated under First Part.

125. All acts and rules heretofore done and made by, and all deeds and articles of association of any such last-mentioned company, and all

Saving of previous proceedings.

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actions and other proceedings pending at the time of the commencement of this Act under the said last-mentioned Act, except as to windings-up, so far as the same are to be continued under this Act, shall have the same force and effect and be carried on as if this Act had not passed; and all documents which were by the said Act made evidence of any matters or things shall continue to be such evidence as thereby ordained; and all rights as to increasing capital, borrowing money, and otherwise, and all liabilities of any such company, shall continue in force for and against it notwithstanding its constructive incorporation under this Act, and such company may after such its corporation sue or be sued as theretofore in respect of any such right or liability; but all acts and proceedings of any such company hereafter to be done and commenced, unless and until it shall be registered as a no-liability company, shall be governed by this Act except Parts III. and IV. thereof; and every such company must, within thirty days after this Act shall come into operation, send to the Registrar of the Supreme Court at the place where the memorandum of application for registration would have to be lodged if such company were about to apply to be registered under the First Part of this Act, a notice of the name of its manager and of the situation of its registered office.

When companies under "The Mining Companies Limited Liability Act, 1865," may be wound up under this Act.

126. If at the time of the coming into operation of this Act any such last-mentioned company shall be in course of being wound up, the Court before which the winding-up shall be pending may, if it shall think that no prejudice would be thereby done to any person, and on being satisfied that three-fourths in number and value of the creditors of such company require the same, order that such winding-up shall be continued under Part II. of this Act; and thereupon such winding-up shall, so far as will be possible be so continued, and a liquidator be appointed, and other things done necessary to give effect to such order; and upon such order being made, the duties authorities and rights of the Official Agent who had been acting in such winding-up shall cease, but such Official Agent shall be accountable to the liquidator so to be appointed as such liquidator for the acts and receipts done and received by him the said Official Agent in or under colour of his office.

PART VI.

MISCELLANEOUS.

Summonses to witnesses.

127. Any party to any legal proceeding under this Act may obtain, at the office of the proper officer of such Court, summonses to witnesses, to be served with or without a clause requiring the production of books deeds papers and writings in their possession or under their control.

Parties may act by barristers or attorneys.

128. Any party to any such proceeding may act therein by a barrister or by a solicitor not employed as advocate by any other solicitor, and the fees to be paid to such barristers and solicitors shall be fixed by the general rules to be made as hereinafter mentioned, and shall be deemed part of the costs of the proceedings, unless the Court or the Judge thereof shall otherwise order.

Service of notices.

129. Except where otherwise herein or in any Schedule hereto provided, notices required to be served on individuals under this Act may be served personally or at the dwelling of the person to be served upon any inmate of years of discretion, or at the place of business of such person upon his servant or agent then employed; and an affidavit of the service by the person effecting the same must be indorsed upon or written under a copy of the notice served, describing how the same has been served, and such affidavit shall be *prima facie* evidence that such notice was duly served.

Directors not to let on tribute without sanction of shareholders.

130. The directors of any company shall not let the whole or any portion of a mine or claim on tribute without the sanction of the shareholders present at a general meeting called for that purpose.

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131. The Governor in Council may from time to time, but subject to this Act, frame general rules for carrying out the provisions hereof, and for the fees to be paid to barristers and solicitors engaged in proceedings thereunder, and for the expenses to be paid to witnesses, and from time to time rescind or alter any such rule; and such rules shall be published in the *Gazette*, and from and after the time thereby fixed for the commencement of their operation shall have the same force as if herein enacted. In the making or altering of any such rules under this Act, a company may adopt as rules any of the articles contained in the Seventh Schedule hereto, or may so adopt any of the same modified as it shall think fit, but so as not to be inconsistent with the provisions of this Act.
132. The word "person" throughout "The Gold Fields Act, 1866," and any Acts amending the same, and all regulations made under or by virtue of the said Acts, shall be deemed to include incorporated companies; and all the provisions of the said Acts shall apply to every incorporated company so far as the same can be made applicable *mutatis mutandis*.
133. All shares in any company registered under this Act, or under any of the Acts hereby repealed, shall be deemed and taken in law to be chattel interests, and shall be assignable and transferable, and may be seized and sold under any writ of *fieri facias* or other writ of execution or warrant accordingly.
134. Nothing in this Act contained shall be construed to alter or affect any of the provisions of the several agreements entered into between the Governor, or any other person acting on behalf of the Governor, whereby gold mining has been authorized on any Native land, or to prejudicially affect the rights and interests of the Native owners under any such agreements.

General rules.

Seventh Schedule.

Definition of word "person."

Shares to be chattel interests.

Agreements with Natives not to be affected.

PART VII.

OFFENCES.

135. No company shall be registered under a name identical with that by which a subsisting company is already registered, or so nearly resembling the same as to be calculated to mislead; and if any company through inadvertence or otherwise is registered by a name identical with that by which a subsisting company is registered, or so nearly resembling the same as to be calculated to mislead such first-mentioned company, shall, at the request of the Registrar with whom the memorandum of application has been deposited or his successor in office, change its name, and upon such change being made the said Registrar shall give notice at the expense of the company of the change so made by inserting a notice thereof in the *Gazette* or in one newspaper published in or near the district in which such company carries on business; but no such alteration of name shall affect any rights or obligations of the company, or render defective any legal proceedings instituted or to be instituted by or against the company and any legal proceedings may be continued or commenced against the company under its new name that might have been continued or commenced against the company by its former name.

136. If any company shall be required to change its name as aforesaid, and shall make default for ten days to do so after being so required, such company shall incur a penalty not exceeding five pounds for every day during which such default continues after the expiration of the said ten days.

137. If any company shall carry on business without having a registered office as required by this Act, it shall be liable to a penalty not exceeding five pounds for every day during which business shall be so carried on.

Penalty on company for not having an office.

Liability of managers
as for misdemeanour.

138. Any manager of a company shall in each of the following cases be guilty of a misdemeanour, and on conviction thereof be liable to be imprisoned for any time not exceeding twelve months :—

- (1.) If he shall wilfully neglect to make in the share-register of the company any transfer of any share which it is his duty to make, or if he wilfully make any false entry of such transfer in such register. 5
- (2.) If he shall wilfully make any false entry or statement in any accounts which he is hereby directed to keep.
- (3.) If after having been lawfully directed so to do he shall wilfully neglect or refuse to lodge with the liquidator the register of the shareholders in a company ordered to be wound up, and all other books documents and other property of such company in his possession or under his control, together with the list thereof, subscribed with the statutory declaration hereinbefore in that behalf mentioned. 10
- (4.) If at the expiration of six months from the time at which a company shall have ceased to carry on business without being wound up, or of such extended time therefor as shall be allowed by the Court or Judge, he shall not deposit with the Clerk the said register and all other books and documents belonging to the company in his possession or under his control. 15

Liability of manager
to penalties.

139. Any such manager shall in each of the following cases be liable to a penalty not exceeding ten pounds :— 25

- (1.) If he shall wilfully neglect to lodge the notices in respect of the registered office of the company of which he is manager or in respect of the manager, or to publish copies thereof or advertisements in the *Gazette* and newspapers as hereinbefore directed. 30
- (2.) If he shall wilfully omit to keep such accounts as he is hereinbefore required to keep.
- (3.) If he shall wilfully refuse to permit any person to inspect or obstruct any person in inspecting any book or account of a company, or report of directors thereof, which such person is entitled to inspect, or shall, on the tender to him of one shilling, wilfully refuse to permit any such person to inspect or obstruct him in inspecting any statement to the inspection of which such person shall on the payment of the said sum be entitled under the provisions hereof. 35
- (4.) If upon such request and payment, as hereinbefore in that behalf directed, he shall wilfully refuse or neglect to furnish any copy of accounts or of any statement which on such request and payment he is hereby required to furnish. 40

Director omitting to
make reports or state-
ments, or making
false statements.

140. Any director of a company who shall wilfully omit duly to lodge in the company's office any report which he is hereby required so to lodge, or to cause to be made any statement which he is hereby required to cause to be made, having at his disposal funds of the company sufficient to enable him to cause the same to be printed, or who shall wilfully make any false statement in any such report or statement, shall for every such offence be liable to a penalty not exceeding fifty pounds. 45

Director obstructing
inspection of books.

141. Any director who shall wilfully refuse to permit any person to inspect or obstruct any person in inspecting any book or account of a company, or any report or statement of the directors thereof, which such person is entitled to inspect, shall be liable to a penalty not exceeding ten pounds. 55

Liability of liquida-
tor as for misde-
meanour.

142. Any liquidator of a company shall in each of the following cases be guilty of a misdemeanour, and on conviction thereof shall be liable to be imprisoned for any time not exceeding twelve months :— 60

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(1.) If he shall wilfully make any false statement in any statement list or schedule which he is hereby directed to prepare set forth or make.

5 (2.) If he shall state to the Court that the taking of legal proceedings to enforce a contribution against a contributory would be fruitless, not having reasonable grounds for believing the same.

10 **143.** Any liquidator who shall wilfully omit to perform any duty in other respects hereby imposed upon him shall be liable to a penalty not exceeding twenty pounds. Liability of liquidator to penalty.

15 **144.** If any person wilfully falsify any book or account of any company under this Act, or sign any memorial or notice required by this Act knowing the same to be untrue, he shall be guilty of a misdemeanour, and liable to be imprisoned for a term not exceeding twelve months. Penalty for falsification of books or notices.

20 **145.** Any person who shall forge or alter, or offer utter dispose of or put off knowing the same to be forged or altered, any scrip certificate, or any document purporting to be a scrip certificate, issued in pursuance of this Act, or who shall demand or endeavour to obtain or receive any share or interest of or in any company under this Act, or to receive any dividend or money payable in respect thereof, by virtue of any such forged or altered scrip certificate or document purporting as aforesaid, knowing the same to be forged or altered, with intent in any of the cases aforesaid to defraud, shall be guilty of felony, and being convicted 25 thereof shall be liable to be imprisoned for any term not exceeding two years, with or without hard labour, and with or without solitary confinement. Penalties on persons committing forgery. 30 & 31 Vict. c. 131, s. 34.

30 **146.** Any person who shall falsely and deceitfully personate any owner of any share or interest in any company issued in pursuance of this Act, and thereby obtain or endeavour to obtain any such share or interest, or receive or endeavour to receive any money due to any such owner, as if such person were the true and lawful owner, shall be guilty of felony, and being convicted thereof shall be liable to be imprisoned for any term not exceeding two years, with or without hard labour, 35 and with or without solitary confinement. Penalties on persons falsely personating owner of shares. 30 & 31 Vict. c. 131, s. 35.

40 **147.** It shall be the duty of the Court, in case at any time it considers it has reason to believe that any of the offences mentioned in this Part of this Act has been committed, to direct that a prosecution therefor shall be instituted by any Crown Solicitor, Crown Prosecutor, or other proper officer. Court may direct prosecution in certain cases.

SCHEDULES.

FIRST SCHEDULE.

Date of Act.	Title of Act.	Extent of Repeal.
29 Vict., No. 26	"An Act to limit the Liability of Mining Companies."	The whole.
32 and 33 Vict., No. 18	"An Act to amend 'The Mining Companies Limited Liability Act, 1865.'"	The whole.
33 and 34 Vict., No. 26	"An Act for Winding-up Limited Liability Companies."	The whole.
33 and 34 Vict., No. 27	"An Act to amend 'The Mining Companies Limited Liability Act, 1865,' and 'The Mining Companies Limited Liability Act Amendment Act, 1869.'"	The whole.
35 Vict., No. 38	"An Act to amend 'The Limited Liability Companies Winding-up Act, 1870.'"	The whole.

SECOND SCHEDULE.

I, the undersigned, hereby make application to register [*Here insert the name of the company*] as a Limited Company [*or Limited with Prepayment, as the case may be*], under the provisions of "The Mining Companies Act, 1872."

1. The name of the company is to be
2. The place of operations [*or* intended operations] is at
3. The registered office of the company will be situated at
4. The nominal capital of the company is pounds, in shares of each.
5. The number of shares subscribed for is , being not less than two-thirds of the entire number of shares in the company.
6. The number of paid-up shares (if any) is
7. The amount already paid up is
8. The name of the manager is
9. The names and addresses and occupations of the shareholders, and the number of shares held by each at this date, are as follows:—
[*Here set forth names &c. of shareholders.*]

A.B., Manager.

Dated this day of 18

Witness to signature—C.D.

I, A.B., do solemnly and sincerely declare that—

1. I am the manager of the said intended company.
2. The above statement is to the best of my belief and knowledge true in every particular. And I make this solemn declaration conscientiously believing the same to be true, and by virtue of an Act of the General Assembly of New Zealand intituled "The Justices of the Peace Act, 1866."

A.B.

Taken before me, &c.

J.P.

THIRD SCHEDULE.

THIS is to certify that a mining company called "The Company, Limited," [*or* "Limited with Prepayment," *or* "No-liability," *as the case may be*] was on the day of 187 , by virtue of "The Mining Companies Act, 1872," incorporated, a memorandum pursuant to the said Act having been duly lodged in the office of the Registrar of the Supreme Court at , in the of , and published in the *New Zealand Gazette* of the day of , and in the newspaper of the day of [*If any other newspaper mention it*]; and copies of the said *Gazette* and newspaper [*If a copy of rules has been forwarded add*], and also a copy of proposed rules of the company] have been duly forwarded to the said office.

Given under my hand, this day of 18

A.B., Registrar.

FOURTH SCHEDULE.

[*Name of Company.*]

INCREASE OF CAPITAL.

I, the undersigned, manager, hereby give notice that an increase in the capital of the above-named company was on the day of 18 resolved on.

The mode adopted for the increase is by raising the amount of each of the [*State number of the shares in company*] shares existing in the company from pounds to pounds.

Or,

The mode adopted for the increase is by issuing [*State number of new shares*] new shares of pounds each, in addition to the [*State number of existing shares*] shares now existing in the company.

Or,

The mode adopted for the increase is by raising the amount of each of the [*State number of the shares in the company*] shares existing in the company from pounds to pounds, and by issuing [*State number of new shares*] new shares of pounds each in addition to the said existing shares.

*(Such of the above three last forms as is applicable to the case is to be followed.)**(If any of the new shares are preference shares, so state, and the terms upon which ed.)*

Date—

A.B.,	Manager of the above-named company.	
C.D.,	}	Directors of the above-named company.
E.F.,		

1. I, A.B., of , do solemnly and sincerely declare that the foregoing statement is to the best of my knowledge and belief true in every particular.

2. I am the manager of the above-named company.

3. C.D. and E.F., whose signatures are affixed to the said statement, are directors of the said company; and I make this solemn declaration conscientiously believing the same to be true, and by virtue of an Act of the General Assembly of New Zealand intituled "The Justices of the Peace Act, 1866."

A.B.

Taken before me, &c.

J.P.

1885

FIFTH SCHEDULE.

In the Supreme Court [or District Court], District, the day
of 18

In the matter of "The Y—Z— Company Limited," [or Limited with Prepayment,
or No-liability, as the case may be], and of "The Mining Companies Act, 1872."

UPON the petition of the above-named company [or of A.B., of &c., a creditor of or share-
holder in the above-named company], on the day of 18 presented to
this Court [or to me A.B., the Judge of the said Court], and upon hearing the petitioner
[or counsel or the solicitor for the petitioner] and the company [or such other person as
may oppose the petition] [or counsel or the solicitor for the company (or such other person)],
and upon reading the said petition and an affidavit of verifying the same, and
[if any other evidence has been adduced for or against the petition] upon the other evidence
adduced in this matter, the Court doth order [or I do order] that the said company be
wound up under the provisions of the said Act, and the Court doth [or I] appoint the
day of 18 as the day for a general meeting of the creditors of the
above-named company, to be held at , and the Court doth [or I] direct that this
order be served upon by [post or otherwise].

SIXTH SCHEDULE.

I, the undersigned, hereby make application to register [*Here insert the name of the
Company*] as a no-liability company, under the provisions of "The Mining Companies
Act, 1872."

1. The name of the company is to be
2. The place of operations [or intended operations] is at
3. The registered office of the company will be situated at
4. The value of the company's property, including claim [or leased ground] and
machinery, is
5. The number of shares in the company is of each.
6. The number of shares subscribed for is
7. The name of the manager is
8. The names and addresses and occupations of the shareholders, and the number of
shares held by each at this date are, as below.

[*If the memorandum be lodged by a previously registered company, the following statement
is to be added; otherwise not.*]

9. A majority in number and value of the shareholders in, and the creditors (if any)
of the company, in writing, have consented to its incorporation as a no-liability company.
[*Here insert names &c. of shareholders.*]

A.B., Manager.

Dated this day of 18

Witness to signature—C.D.

I, A.B., do solemnly and sincerely declare that—

1. I am the manager of the said intended company.
2. The above statement is to the best of my belief and knowledge true in every
particular. And I make, &c. [*Conclude this declaration as in the form in the Second
Schedule.*]

A.B.

Taken before me, &c.

J.P.

SEVENTH SCHEDULE.

DIRECTORS.

Qualification of Directors.

1. No person shall be qualified to be a director unless he is a shareholder and the
holder in his own right of shares or more in the said company.

Retirement of Directors.

2. At the first general meeting of the company, to be held in the month of
one thousand eight hundred and seventy , the whole of the directors shall retire
from office; and at the general meeting to be held in the said month in every subsequent
year one-third of the directors for the time being, or if their number is not a multiple of
three then the number nearest to one-third, shall retire from office.

3. The one-third or other nearest number to retire during the first and second years
ensuing the first of the general meetings above mentioned shall, unless the directors agree
among themselves, be determined by ballot. In every subsequent year, the one-third or
other nearest number who have been longest in office shall retire.

4. A retiring director shall be re-eligible.

5. The company, at the general meeting at which any directors retire in manner
aforesaid, shall fill up the vacated offices by electing a like number of shareholders
qualified as aforesaid to be directors.

6. If at any meeting at which an election of directors ought to take place the places
of the retiring directors are not filled up, the meeting shall stand adjourned till the same
day in the next week, at such hour and place as the majority of shareholders present at
the meeting shall decide; and if at such adjourned meeting the places of the retiring
directors are not filled up, the retiring directors, or such of them as have not had their
places filled up, shall continue in office until the general meeting to be held in the said
month in the next year; and so on from time to time until their places are filled up.

7. The company may from time to time in general meeting increase or reduce the number of directors, and may also determine in what rotation such increased or reduced number is to go out of office.

Disqualification of Directors.

8. The office of director shall be vacated—
 If the person filling it shall cease to be a shareholder or to be the holder of shares in his own right in the company.
 If his estate shall be sequestered or brought under liquidation or composition under any Insolvency Act.
 If he shall assign his estate for the benefit of his creditors.
 If he shall hold any other office or place of profit under the company.
 If he shall be concerned in or participate in the profits of any contract with the company.

But the above rules shall be subject to the following exceptions—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; nevertheless he shall not vote in respect of such contract or work, and if he does so vote his vote shall not be counted.

Resignation of Directors.

9. A director may resign his office by sending in his resignation to the manager.

Removal of Directors.

10. If any director shall refuse or neglect, or become unfit or incapable by reason of his absence from the Colony or otherwise, to act in his office, he may be removed therefrom by the other directors at a meeting of directors at which all such others shall be present.

Occasional Election of Directors.

11. When a director shall cease to be such by reason of his office becoming vacated as above mentioned, or of his resigning or being removed, or of his dying, the other directors shall, at a meeting to be held by them at which a quorum shall be present, elect any shareholder not then a director of the company, qualified as aforesaid, to be a director in the place of the director ceasing to be such: Provided always that the first general meeting held subsequently to any such appointment shall confirm such appointment or elect some other qualified shareholder to the vacant office; and in either case the shareholder appointed shall continue in office for so long only as the person in whose place he shall have been elected would have been entitled to continue, if he had remained in office.

Meetings of Directors.

12. That a meeting of directors shall be held at least once in every fortnight.
 13. directors shall form a quorum, and shall have and exercise all the powers and authorities vested in the Board of Directors generally, as fully and effectually as if all the directors had concurred therein; and when any duty is by the foregoing Act or these rules imposed on directors, the same shall be deemed to be imposed on such quorum.
 14. The directors may regulate their meetings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the chairman shall have a second or casting vote. A director may at any time summon a meeting of the directors.
 15. The directors may elect a chairman of their meetings, and determine the period for which he is to hold office; but if no such chairman is elected, or if at any meeting the chairman is not present at the time appointed for holding the same, the directors present shall choose some one of their number to be chairman of such meeting.
 16. 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 that may be imposed upon it by the directors.
 17. A committee may elect a chairman of their meetings. If no such chairman is elected, or if he is not present at the time appointed for holding the same, the members present shall choose one of their number to be chairman of such meeting.
 18. 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.
 19. 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 such directors or persons acting as aforesaid, or that they or any of them be disqualified, be as valid as if every such person had been duly appointed and was qualified to be a director.

Powers of the Directors.

20. The business of the company shall be managed by the directors, who shall, in addition to their powers under the foregoing Act, and subject to the provisions thereof and to the rules for the time being of the company, have control and disposal of the funds and property of the company, consistently with the objects thereof, and shall have the appointment of all bankers legal advisers agents clerks servants and mining manager or managers of the company, and shall allow them respectively such reasonable fees costs charges salary wages or other benefit as they may think fit, and from time to time may suspend remove or dismiss any such person or persons and appoint such other or others in his or their stead as they shall in each and every case think proper, and may make

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calls or declare dividends and accept contracts on behalf of the company, and affix the common seal of the company to such contracts as shall require to be under such seal, and purchase such adjoining claim or claims or interest therein or in any mining property, and purchase or hire such machinery or apparatus, and make such agreement or agreements for the working of any mine or claim or otherwise, for the benefit of the company, as they may deem advisable, and may make such agreement or agreements for compromising or settling any action suit or other proceeding, or any mining dispute, as the legal advisers of the company may recommend; and the powers of the directors shall not cease or be suspended so long as the Board of Directors shall consist of a sufficient number of members to form a quorum, and the directors shall also have and exercise all or any special powers which may be vested in them by these rules, or any subsequent rules made in accordance with the provision in that behalf hereinafter contained.

Remuneration of Directors.

21. The Board of Directors shall receive as remuneration for their services such sum as may from time to time be fixed at any general or special meeting, to be paid out of the funds of the company, and to be divided amongst the directors as they may fix amongst themselves.

Manager.

22. The manager shall keep all the books and accounts of the company, including the book required by the thirty-third section of the foregoing Act to be kept, in which he shall, besides the matters to be inserted therein as directed by the Act, enter the particulars of transfers of shares, the calls paid or due on shares, and a note of such shares as may be forfeited, and also including the books and accounts required to be kept by the thirty-sixth section of the said Act, and such other particulars relative to the accounts of the company as the directors may from time to time require. The manager shall also keep a book or books in which he shall enter minutes of proceedings at all meetings of the company and of the directors; and such books shall be kept at the registered office of the company, and at all reasonable times shall be open to the inspection of every shareholder for the time being. The manager shall make out at least once in every three months, and prior to the holding of each of the general meetings hereinafter mentioned, a fair balance sheet of the accounts of the company, and also a report of the works of the company, which balance sheet and report shall be submitted to the general meeting which shall be held next after the making out thereof; and the said manager shall also publish in the *New Zealand Gazette* a copy of each half-yearly statement to be made pursuant to the thirty-seventh section of the foregoing Act, within days after such statement shall be made, and shall give forward and publish all necessary notices in reference to meetings calls or other business of the company, shall convene the meetings of the company and of the directors, shall collect and pay the accounts of the company, shall see that the orders and directions of the meetings of the company and directors are properly carried out, and shall do all further acts which shall be necessary and ought to be done by a manager in accordance with the said Act and these rules: Provided always that in the management as aforesaid he shall be subject to the directions and control of the directors.

23. The manager for the time being, and if the directors shall so think fit any person appointed or substituted as hereinafter provided for to transact the business and perform the duties of manager, shall, within four weeks of the date of his being appointed manager, or in the case of a person being so appointed or substituted within such time as the directors shall appoint, give security to the company in the case of the manager in the sum of five hundred pounds at least, and in case of a person so appointed or substituted in such sum as the directors shall direct, that such manager or person will not embezzle make away with waste or destroy any property belonging to the company whilst acting as such manager, or transacting the business or performing the duties of manager, as the case may be; such security to be given by a guarantee society.

24. It shall be the duty of the manager at any time to convene a special meeting of the directors at the request of any two of the directors.

25. The directors may at any meeting to be held by them suspend the manager for the time being, and in any such case they shall immediately thereafter call a special meeting of the company; and any special meeting of the company shall have power to confirm such suspension, or remove or suspend the manager for the time being, and to appoint or substitute a new manager, or to annul such suspension and to reinstate the manager in his office; and upon the resignation or during the temporary absence or illness or suspension of the manager, or any interval between his resignation or removal and the appointment or substitution of a new manager in his stead, any other person may be appointed or substituted by the directors to transact the business and perform the duties of manager, and all persons so appointed or substituted shall and may perform all such acts as could be lawfully done by the manager of the company: Provided always that should the manager be desirous of resigning his appointment he shall give one month's notice in writing to the Board of Directors of his intended resignation.

Meetings.

26. There shall be general meetings of the company in each year, and the first of such meetings shall be held some time during the first fourteen days of the month of one thousand eight hundred and at such place as the directors may appoint, and thereafter such meetings shall be held within the first fourteen days of the months of and in each year, and every such meeting shall be convened by notice from the manager by advertisement inserted consecutive

times in the newspaper, published at the chief town of the Province where the company shall carry on operations, and in a newspaper published in , stating the day hour and place of meeting, provided that the first insertion of such notice in each of the said newspapers shall be at least seven days prior to the day appointed for the meeting (to be reckoned inclusive of the day of publication and of the day of meeting) : Provided always that if within one hour from the time appointed for the holding of such meeting there shall not be present at one and the same time, at the place appointed for such meeting, a number of shareholders sufficient and qualified to form a quorum as hereinafter provided, then and in every such case the meeting shall stand adjourned until the then next general meeting, or until such other day as the majority in number of the shareholders then present shall appoint.

27. The Board of Directors, or any or more shareholders possessing collectively shares at the least, may at any time, by a requisition in writing, require the manager to call a special meeting of the company for any purpose to be specified in such requisition ; and within four days of such requisition having been delivered to the manager or left at the registered office of the company, the manager shall proceed to call such meeting in the same manner as is hereinbefore provided for in case of general meetings, and also by circular to each shareholder to his address, as appearing in the register of shareholders : Provided that the first insertion of the notice of such meeting in the newspapers in which it is to be advertised shall be at least days before the day appointed for the meeting (to be reckoned inclusive of the day of publication and of the day of the meeting). If a quorum, as in the preceding article mentioned, shall not be present at the place appointed for the meeting, the same shall, at the option of the majority of the shareholders then present, either be dissolved or adjourned to such other day as such majority shall appoint. The non-receipt by any shareholder of the circular above mentioned shall not invalidate the proceedings at any special meeting.

28. If the manager shall not within the four days in the next preceding article mentioned proceed to call such meeting, the directors or the shareholders requiring the same or a majority of such shareholders, may call the same in the manner hereinbefore provided for the calling of the same by the manager.

29. Any or more shareholders, possessing collectively shares at the least, may at any time by a requisition in writing require the manager to call an extraordinary meeting of the company.

30. At every general meeting, or at any adjournment thereof, the report to be lodged by the directors, and the balance sheet and report to be made out by the manager, as hereinbefore directed, and all other accounts, and the auditors' reports (if any) of the business property and effects of the company, and of the assets debts investments liabilities and credits thereof, shall be laid before the shareholders by the directors, or the manager by their direction ; and such other matters and business shall be transacted as may be necessary or occasion may require.

31. The subjects to be considered at any special meeting or at any extraordinary meeting shall be those specified in the notice convening the meeting, and none other.

32. Every meeting, whether general special or extraordinary, shall have power to adjourn at pleasure before the whole of the business to be transacted thereat shall be completed, but only for the purpose of completing such business ; and adjourned meetings may be held at such place and from time to time or from day to day, or at such other time or times, as the majority of shareholders attending at the meeting or the adjournment thereof shall decide, save as regards the day to which a meeting for the election of directors is to be adjourned, which is hereinbefore provided for.

33. Every shareholder shall be entitled to one vote for each and every share held by him, and every shareholder may vote in person or by proxy.

34. Every shareholder qualified to vote at the meetings of the company shall be entitled to appoint any other shareholder in the company to vote and act for him by proxy at a given meeting or any adjournment thereof. The instrument appointing a proxy shall be in writing under the hand of the appointer, and shall be attested by one witness at the least. Such instrument shall be deposited with the manager or with the chairman of the meeting at which the person named therein as proxy proposes to vote, before such person shall be entitled to act or vote ; and the shareholder appointing such proxy shall for all purposes for which the proxy was given be considered as present by such proxy, and all votes and acts of the proxy, to the extent of such purposes, shall be as valid and effectual as if given or done by the shareholder in person.

35. Every such proxy shall continue in force until a notice in writing revoking the same shall have been given to the manager or the chairman of any meeting, or left at the office of the company.

36. Every such proxy may be in the following form, that is to say—

The Company (Limited).

I, the undersigned , of , the holder of shares in the Company (Limited), do hereby appoint of to be my proxy, in my name and on my behalf to vote and act for me in any business that may be lawfully brought forward at the meeting of shareholders to be held on the day of 18 or any adjournment thereof.

As witness my hand this day of 18 .
Witness—

37. The votes of any shareholder may during his absence from New Zealand be given by his attorney constituted under a letter of attorney to vote and act generally at all meetings of the shareholders during such absence, or under a letter of attorney to act generally in all the affairs in this Colony of a shareholder during his absence abroad, and

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such attorney shall be deemed the lawful proxy of such absent shareholder: Provided that such a letter of attorney, or in case the same shall have been filed under the provision of any Act of the General Assembly for the time being in force in that behalf, then an office copy of the same, shall be left at the registered office of the company for inspection five clear days before the meeting at which the same is intended to be first acted upon.

38. If any member be a lunatic or idiot he may vote by his committee, and if any member be an infant he may vote by his guardian.

39. If two or more persons are jointly entitled to a share or shares, the member whose name stands first in the register of members as the holders of such share or shares, and no other, shall be entitled to vote in respect of the same.

40. No member shall be entitled to vote at any meeting unless all calls interest and expenses due from him have been paid.

41. Ten shareholders or more, who shall amongst them be the holders of not less than one thousand shares, or who or any of whom shall as proxies represent shareholders holding as many shares as with the shares held by the said ten will make one thousand shares or more, shall be necessary to form a quorum at any meeting of the company.

42. The chairman (if any) of the Board of Directors shall preside as chairman at every meeting of the company, or if there be no such chairman, or if at any meeting he be not present within fifteen minutes after the time appointed for holding the meeting, the shareholders present shall choose one of their number to be chairman.

43. At every meeting, general special or extraordinary, all motions questions or propositions which shall be submitted for determination shall be primarily decided by the majority in number of the shareholders present on a show of hands; and unless a poll is demanded by a majority in number and value of the shareholders present, either personally or by proxy, a declaration by the chairman that a resolution has been carried, and an entry to that effect in the minute book of the company, shall be sufficient evidence of the fact, without proof of the number or portion of votes recorded for or against such resolution.

44. If a poll be demanded as aforesaid, it shall be taken in such manner as the chairman shall direct, and the result of such poll shall be deemed to be the resolution of the company in general special or extraordinary meetings, as the case may be. In the case of an equality of votes at any meeting, the chairman shall be entitled to a second or casting vote.

45. Every act deed matter or thing made or done by the manager directors auditors, or other officers agents and servants of the company, shall be subject to the review amendment alteration or cancellation of any meeting of the company.

46. Any such meeting may require any explanation from the directors manager auditors officers agents and servants of the company which it may deem fit, and any information with respect to the affairs property or business of the company or the management thereof, and may call for the production of invoices vouchers or other documents, and may examine allow or reject the accounts balance sheets and reports of such directors or manager, or of any other person or persons producing any accounts balance sheets or reports relating to the company.

47. No resolution of any meeting of the company shall be rescinded excepting at a special meeting, and a special meeting of the company shall have full power to rescind cancel alter or vary any resolution passed at any meeting of the company or by the Board of Directors, if the matter or thing required to be done by any such resolution shall not have been executed, or in case of a contract the contract shall not have been signed, at the time the requisition for calling a special meeting is lodged with the manager, or at the time of calling of the special meeting.

48. At any meeting of the company the chairman shall regulate the mode and manner in which the business thereof shall be conducted.

49. Minutes of the proceedings of every meeting of the company shall be recorded in a book or books to be kept for that purpose by the manager, and such minutes shall be signed either at the meeting to which such minutes refer or at the meeting next thereafter, by the person in the chair at either of such meetings.

50. No such minutes shall be signed until the same shall have been confirmed by the vote of the meeting of which they are or next following that of which they are minutes; and the manager shall also keep correct minutes of the proceedings of the directors, which shall be signed by the chairman of the Board of Directors, and either or any of the books so signed shall be *prima facie* evidence of such proceedings, and of the regularity thereof.

Shares.

51. The shares of the company shall be numbered progressively, and shall thereafter be distinguished by such number.

52. A scrip certificate, signed by the manager and two of the directors, shall be issued to each shareholder, and shall be in the form following, that is to say:—

No. of Issue Folio

(The name of the company.)

(Registered under "The Mining Companies Act, 1872.")

Capital £ in shares of £ each.

This is to certify that of is a member of the above-named company and the proprietor of shares numbered therein, upon which the sum

of £ per share has been paid up, subject to the rules and regulations of the company.

Dated this day of 18 .

} Directors.

Manager.

N.B.—This certificate must be given up to the manager on transfer of any of the above shares.

53. If any shareholder shall hold more than one share, such certificate may include all the shares held by such shareholder.

54. If any shareholder at any time be desirous of having separate certificates for either or any of the shares held by him, or of having any particular number of shares held by him inserted in one or more than one certificate, he shall be entitled to have such certificate or certificates issued to him, on delivering up to the manager any certificate or certificates which may have been issued for or in respect of the shares for which he shall desire such new certificate or certificates.

55. If any such certificate be lost or defaced, the directors may permit a duplicate thereof to be issued; but in case of its loss, upon a statutory declaration being made by its owner as to such loss, who shall give such security as the directors may require before any such duplicate is issued, and any person losing any certificate shall take such steps for the recovery of the same as the directors may direct.

Transfer of Shares.

56. No entry shall be made on the register of shareholders of the name of any person as transferee of a share upon which any fines under any rule shall be due, unless such fines, as well as all calls due on the share, shall be paid to the manager.

57. The provisions in the foregoing Act in regard to scrip certificates shall apply to duplicate certificates, and the transfer to be written on either a certificate or duplicate on the occasion of a transfer of a share must be attested by one witness at the least. Such transfer shall be in the form following (that is to say)—

I, the undersigned, do hereby sell and transfer to of of my within-mentioned shares for valuable consideration, and I authorize the manager to transfer the said shares in the books of the company.

Progressive Nos. transferred

Dated this day of 18 .

Signature of Transferrer.

Witness—

58. As soon as the name of any person, or of the company, or a trustee therefor, is entered on the register of shareholders as a transferee, the certificate or duplicate produced on the occasion of the transfer shall be marked with the word "Cancelled" by the manager, and initialled by two directors, and shall be left with and permanently kept by the manager.

59. Upon the name of any person being entered on the register of shareholders as the transferee of a share, or upon any person becoming entitled to be deemed the transferee of a share, such person shall become a shareholder in the company in respect of the share so transferred to him in the same manner as if he had been an original shareholder.

60. If any person, the holder of several shares represented by one certificate or duplicate, desire to transfer one or some only of the said shares, the manager shall, after the time when he is bound to enter the name of the transferee, whether the company or otherwise, on the register of shareholders for the shares transferred, give to the transferrer, on request by him or his agent authorized in writing, a new certificate for the shares retained by him.

Representatives of Shareholders.

61. The executors or administrators of a deceased member shall be the only persons recognized by the company as having any title to his or her share or shares.

62. Any person becoming entitled to a share or shares in consequence of the death insolvency or bankruptcy of any member, or in consequence of the marriage of any female member, may be registered as a member upon such evidence being produced as may from time to time be required by the directors, provided that such persons shall not be entitled to be so registered until after the expiration of fourteen days from the time at which such evidence shall be so produced, and, if so required by the directors, deposited with the manager of the company to be inspected or retained by the company.

63. Any person becoming entitled to a share or shares in consequence of the death insolvency or bankruptcy of any member, or in consequence of the marriage of any female member, may, instead of being himself registered, elect to have some person to be named by him registered as a transferee of such share.

Calls.

64. Any meeting of the directors at which a quorum shall be present shall have power, subject to the provisions of the foregoing Act, to make such call or calls upon the shareholders in respect of all moneys unpaid on their shares as they shall from time to time think proper: Provided always that no call shall exceed the sum of per share, and there shall be an interval of one month between the making of any calls or be payable at any time less than seven days from the day on which it was made.

65. Whenever a call shall be made, the manager shall insert in that issue of the newspaper in the chief town of the Province where the company shall carry on

operations in which it can be first published after the making of the call, a notice of the day when it will be payable, and of the place for payment thereof, and a similar notice in each of the two immediately succeeding issues of such newspaper, and shall insert a similar notice in that issue of the [some newspaper published in the district where the company's operations are being carried on] in which it can be first published after the making of the call. The manager shall also, immediately after the making of the call, send a similar notice by letter through the general post to each shareholder. The notice of a call required by the Act to be published in the *New Zealand Gazette* shall be published in that issue thereof in which it can be first published after the making of the call.

Dividends.

66. The directors shall declare a dividend on each share out of the clear profits of the company, if any, every _____; but no dividend shall in any case be declared out of the capital of the company, and every dividend shall be payable at the office or bankers of the company: Provided that the directors shall not be bound to declare any dividend whenever the amount applicable to the payment of dividends does not amount to pounds.

67. The directors may, before declaring any dividend, set aside out of the profits of the company such sums as they may think proper as a reserve fund to meet contingencies, or for equalizing dividends, or for repairing or maintaining the works and machinery connected with the business of the company or any part thereof.

68. Notice of any dividend that may have been declared shall be published in two consecutive publications of the _____ newspaper, in the chief town of the Province where the company shall carry on operations, and in a newspaper published at _____.

69. No dividend shall be payable to any person in respect of any share whose name is not at the time of payment entered in the register of members as the holder of such share.

70. No dividend shall bear interest as against the company.

Auditors.

71. The accounts of the company shall be examined and the correctness of the balance sheets of the manager ascertained by two auditors. A. B. and C. D. shall be the first auditors of the company, and shall hold office until the general meeting to be held in the month of _____, one thousand eight hundred and _____; and at that meeting, and at the general meeting to be held in the month of _____ in each subsequent year, two persons, whether members of the company, or not, shall be appointed auditors, and any special meeting may remove or dismiss any or either of the auditors so appointed; and upon the removal dismissal resignation or death of either or any of the auditors, any special meeting may appoint any other person or persons to act as auditor or auditors until the then next general meeting to be held in the month of _____, and the directors shall allow the auditors so appointed such a remuneration as they may think reasonable.

Notices.

72. All notices hereinbefore directed to be given by circular may be served by the company upon any member personally or by sending it through the post, in a prepaid letter addressed to such member at his address as entered in the register of members, or at the address designated by such member, as hereinafter mentioned.

73. All notices directed to be given to the members by circular, shall with respect to any share or shares to which persons are jointly entitled, be given to whichever of such persons is named first in the register of members, and notice so given shall be sufficient notice to all the holders of such share or shares.

74. Any notice, if served by post, shall, in the case of any member whose registered address is in the chief town of the Province where the company shall carry on operations, or at any place within _____ miles of the post office of such chief town, be deemed to have been served at ten of the clock in the morning of the day after that on which the letter containing the notice was posted, if posted in such chief town; and in the case of any member whose registered address in the said Colony of New Zealand is beyond _____ miles from the post office of such chief town, at ten of the clock in the morning of the second day after the same shall have been posted in the post office of such chief town; and in case of any member whose registered address is in any other Province, or in any of the Australian Colonies, at ten of the clock in the morning of the _____ day after that on which such letter was posted; and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post office at such chief town as aforesaid, or in the event of the service of the said notice being by publication in a daily newspaper as aforesaid, by production of the newspaper containing such notice.

75. Any member may, by a written or printed statement signed by such member, and left with the manager at the registered office of the company, require that all notices which the regulations of the company direct to be served upon the members by circular shall, instead of being served upon him, be served upon his attorney appointed as hereinbefore mentioned, at some address in the Province where he resides or carries on business to be set forth in such statement; and until such statement shall be revoked, service at such address in the manner hereinbefore provided for service of notice by post shall be deemed good service upon such member, notwithstanding the death or absence of such attorney.

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Miscellaneous.

76. The Board of Directors shall have power to make such by-laws, not inconsistent with the provisions of the foregoing Act or of the rules of the company, as shall be found necessary for the efficient working of the company or carrying on of its operations, and to amend such by-laws from time to time as they shall deem desirable; subject always to any alterations which any meeting of the company shall think proper to make.

77. The manager shall within eight days from the passing of any new rule or rules, or any alteration or alterations in the rules of the company, annex to these present rules a copy of such new rule or rules or alteration or alterations signed by the chairman of the meeting at which the same was or were made and by the manager, and the new rule or rules and alteration or alterations so annexed shall from thenceforth form a portion of the rules of the company.

78. All sums of one pound and upwards payable by the company shall be paid by cheques; and all cheques shall be drawn by the manager and countersigned by two of the directors.

79. The receipt in writing of the manager for the time being shall be a good and sufficient discharge for all calls or fines due to the company, and for all sums under pounds, and the receipt in writing of a majority of the directors and of the manager for any sums of money amounting to or over pounds, and for any property or effects belonging or payable to the company, shall effectually discharge therefrom the purchaser or other person paying or delivering the same, and from all liability in respect of the application thereof, and all moneys received by the manager shall be paid by him to the credit of the company into such bank as the directors may appoint.

80. In the interpretation of all rules and regulations of the company, unless there be anything in the context repugnant thereto, words importing the singular number only shall extend to and include the plural, and words implying the plural number only shall extend to and include the singular, and all words implying the masculine gender only shall be read as including females, and the words "directors" and "manager" shall respectively signify the Board of Directors of the company or a majority thereof, or the quorum or a majority of the quorum of such directors and the manager, for the time being of the company.

81. The company shall continue and be in existence for the term of years from the day of one thousand eight hundred and unless the same shall in the meantime be wound up either by the Court or voluntarily under the provisions of "The Mining Companies Act, 1872," or under any other Act for the time being in force for the winding-up of such companies; but in case the operations shall continue productive or promising, it shall be lawful for the shareholders, at any time before the expiration of the said term, at an extraordinary meeting to be convened for the purpose, and by a resolution carried by the holders of a majority of the shares in the company, voting as aforesaid, to prolong the said duration of the said company for any further period, to be conducted upon the terms conditions and agreement upon which the said company shall then have been conducted, and to procure a renewal of any lease which the company may hold for any further period whatsoever.

82. At the determination or dissolution of the said company, the directors manager and other officers of the company for the time being shall forthwith wind up and settle the affairs of the company in manner following (that is to say)—All and singular the property and effects of the company, or such parts thereof as shall be saleable, shall be sold by public auction or private contract, and out of the moneys arising therefrom all the debts engagements and liabilities of the company shall be paid and discharged, or provision shall be made for the satisfaction or compromise thereof, and the clear surplus (if any) then belonging to the said company shall be divided between the shareholders in proportion to the number of shares held by them respectively Provided, however, that no sale by private contract shall be completed without the sanction of an extraordinary meeting of shareholders convened for that purpose.