

Hon. Mr. McCullough.

SHAREBROKERS.

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A BILL INTITULED

AN ACT to make Provision for licensing Sharebrokers.

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

Title.

5 1. The Short Title of this Act is "The Sharebrokers Act, 1895," and it shall come into operation on the first day of January, one thousand eight hundred and ninety-six.

Short Title.

2. In this Act, if not inconsistent with the context,—

Interpretation.

10 "Commissioner" means the Commissioner of Stamp Duties, and includes any member of the Executive Council who for the time being is acting for him:

"Fee" includes commission, brokerage, or any other reward:

15 "Sharebroker" means any person who exercises or carries on the business of buying, selling, transferring, or dealing in shares for any fee:

20 "Shares" means shares in the stock, capital, or funds of any corporation, company, or society whatsoever, whether registered or incorporated in New Zealand or elsewhere, and includes the bonds and debentures of the colony or of any local governing body or corporation, company, or society authorised to raise money by bonds or debentures.

25 3. It shall not be lawful for any person directly or indirectly to exercise or carry on the business of a sharebroker, or to in any way hold himself out to be a sharebroker, or to charge or recover fees for or in connection with the purchase, sale, or transfer of shares, unless he is the holder of a license in the Form B in the Schedule hereto.

Sharebrokers to be licensed.

4. The Commissioner may issue such license to any person of good repute who—

Application for license.

	(1) Makes written application therefor in the Form A in the Schedule hereto ; and	
Fee.	(2) Forwards with such application a license-fee of <i>twenty-five</i> pounds ; and	
	(3) Is not disqualified from holding a license.	5
Applicant to give bond not to buy or sell for himself.	5. Before such license is issued the applicant therefor shall enter into and deposit with the Commissioner a bond to Her Majesty in the penalty of <i>five hundred</i> pounds, with one or more sureties to the satisfaction of the Commissioner, conditioned that such applicant will not during the continuance of his license buy or sell shares for himself or on his own account, except through another sharebroker.	10
Duration of license. Renewal.	6. Such license, unless sooner cancelled, shall continue in force for one year, but may be renewed from year to year on payment of an annual fee of <i>twenty-five</i> pounds.	
Register of license-holders.	7. The Commissioner shall keep a register of all license-holders, and of all indorsements and cancellations of licenses.	15
Evidence of entry in register.	8. A copy of any entry in such register purporting to be signed by the Commissioner shall be <i>prima facie</i> evidence of the truth of the matters stated in such copy.	
Sharebrokers' books and accounts.	9. Every sharebroker—	20
	(1.) Shall keep a book containing the name of every person who pays or is charged a fee for or in connection with the purchase, sale, or transfer of shares, together with the date and the amount of the fee, and the names and numbers of the shares in respect of which the fee is paid or charged ; and also	25
	(2.) Shall give to every person for whom he buys, sells, or transfers shares an account in writing, signed with his name, and containing—	
	(a.) The full names of buyer and seller ;	30
	(b.) The name of the company and the number of the shares ;	
	(c.) The price paid ;	
	(d.) The fees charged.	
Words to be posted up.	10. Every sharebroker shall at all times keep posted up in some conspicuous place in or on his office, so as to be easily read by the public, the words " Licensed Sharebroker."	35
License not transferable.	11. It shall not be lawful for a sharebroker to transfer his license to any person, or to directly or indirectly permit any person to carry on business under colour of such license.	40
Only one office for each license.	12. No sharebroker shall, by virtue of his license, keep more than one office, and for every separate office which any sharebroker keeps he shall take out a separate and distinct license.	
Penalties.	13. If any person commits a breach of any of the provisions of this Act he is liable to a penalty not exceeding <i>ten</i> pounds, and, if it is a continuing breach, to a further penalty not exceeding <i>ten</i> pounds for every day after the first during which such breach continues.	45
Onus on accused to prove he is licensed.	14. In all proceedings under section <i>three</i> the onus shall be on the accused to prove, by the production of his license, that he is a license-holder.	50

15. In all proceedings under this Act against a sharebroker, he shall produce to the Court his license. Accused to produce his license.
16. Every conviction against a sharebroker for a breach of this Act shall be indorsed on his license by the convicting Magistrate or Conviction to be indorsed on license.
- 5 Justices, who shall also send notice thereof to the Commissioner, and upon a third indorsement within three years from the first indorsement within such period being made, the license shall be deemed *ipso facto* cancelled, and the Clerk of the Court shall deliver it up to the Commissioner.
- 10 17. No person whose license has been cancelled shall be entitled to hold a license until the expiration of *one* year from the date of such cancellation. Suspension from holding license.
18. No sharebroker shall be entitled to maintain an action for the recovery of fees unless at the trial he produces his license. Recovery of sharebrokers' fees.
- 15 19. On satisfactory proof of the loss or destruction of a license, and on the payment of a fee of *one* pound, the Commissioner may issue a duplicate (bearing all indorsements), and such duplicate shall avail for all purposes as if it were the original. If license lost, duplicate may be issued.
- 20 20. If any sharebroker is convicted of any indictable offence his license shall, *ipso facto*, be deemed to be cancelled. When license deemed cancelled.
21. All fees received and penalties recovered under this Act shall be paid into the Public Account and form part of the Consolidated Fund. Application of fees and penalties.
- 25 22. This Act shall not apply to any auctioneers selling shares by public auction only. Act not to apply to auctioneers.
23. The Governor in Council may from time to time make such regulations as he deems necessary in order to give full effect to the provisions of this Act. Regulations.

SCHEDULE.

Schedule.

A.

FORM OF APPLICATION FOR LICENSE.

To the Commissioner of Stamp Duties.
 I, A.B., residing at _____, hereby apply for a license under "The Sharebrokers Act, 1895." I enclose herewith the prescribed fee of *twenty-five* pounds.
 Dated this _____ day of _____, 18 ____.

A.B.

B.

FORM OF LICENSE.

I, the undersigned, Commissioner of Stamp Duties, hereby certify that A.B., of _____, is hereby licensed to exercise and carry on the business of a sharebroker, subject to the provisions of "The Sharebrokers Act, 1895." This license, unless sooner cancelled, continues in force for twelve months from the date hereof, and is not transferable in any manner whatsoever.

Dated this _____ day of _____, 18 ____.

E.F.,
 Commissioner of Stamp Duties.

under the Employers' Liability Acts and also to make payments to the workman in case of injury by accident or otherwise.

Moneys so deducted may be recovered.

4. All money so taken or received as aforesaid from any workman may by him be at any time recovered back, with full costs of suit, from the employer, company, or person who took or received it, notwithstanding that it was so taken or received with the consent of the workman. 5

Consent of workman no defence.

5. In any proceedings or suit against an employer—

(1.) For the breach of any of the provisions of the principal Act or this Act; or 10

(2.) For the recovery by the workman of money alleged to have been paid by him to his employer, or deducted by his employer from wages, in breach of any provisions of the principal Act or this Act,— 15

the fact that the workman consented thereto shall not avail in any way as an answer or defence.

Section 6 of principal Act amended.

6. Subsection two of section six of the principal Act is hereby amended by repealing the word "plaintiff" where it last occurs in the subsection, and substituting therefor the word "defendant." 20