CHAPTER x.

An Act for regulating the Capital of the Colonial Company Limited and for other purposes. [8th April 1881.] A.D. 1881.

WHEREAS the Colonial Company Limited (herein-after called "the Company") is a Company incorporated under the Companies Act 1862 with a capital of two million pounds divided into forty thousand shares of fifty pounds each : 25 & 26 Vict. c. 89.

And whereas thirty-six thousand eight hundred and nineteen shares have been issued of which seven thousand three hundred have been forfeited for non-payment of calls or otherwise and on the remaining twenty-nine thousand five hundred and nineteen of the said shares the sum of twenty pounds has been called up and paid and on six hundred of such shares the sum of twenty-nine pounds ten shillings has been paid in advance of calls and on seventy-three of such shares the sum of eleven pounds has been paid in advance of calls so that the paid-up capital is six hundred and eight thousand eight hundred and eighty-three pounds and the unissued capital is one hundred and fifty-nine thousand and fifty pounds :

And whereas the Company have not power to issue any part of their original capital as preference shares and doubts are entertained as to the extent of their power to cancel shares :

And whereas it is expedient to make such provision as is in this Act contained for the conversion of the existing shares in the Company into shares of smaller amount and to authorise the Company to issue preference shares and to remove such doubts as aforesaid :

And whereas, owing to the nature of the Company's business, the amount of profit in one year as compared with another is subject to considerable fluctuation, and it is frequently difficult to estimate the amount of profit available for dividend in any given

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year, and it is therefore expedient that the dividend upon preference capital of the Company should be cumulative, and not contingent upon the profits of each year:

And whereas these objects cannot be attained without the authority of Parliament:

And whereas a copy of the Bill for this Act has been sent to every member of the Company, and members holding 28,172 shares out of the whole number of 29,519 shares issued and not forfeited, have signified their assent to the promotion of the Bill, and no member has signified dissent:

May it therefore please Your Majesty that it may be enacted and be it enacted by the Queen's most Excellent Majesty by and with the advice and consent of the Lords Spiritual and Temporal and Commons in this present Parliament assembled and by the authority of the same as follows:

Short title.

1. This Act may be cited as the Colonial Company (Limited) Act 1881.

Interpretation.

2. In this Act—

The expression "the directors" means the directors of the Company and includes any managing director or directors or committee to whom the powers by this Act conferred on the directors may be delegated by the directors;

The expression "share" or "shares" means a share or shares in the capital of the Company.

Division of capital of Company into shares of £10 each.

3. Every £50 share in the Company is hereby divided into five shares each of the nominal amount of £10 and the Memorandum of Association of the Company is hereby altered accordingly and five of such shares of £10 each are hereby substituted for each £50 share and as regards every £50 share issued and not forfeited before the passing of this Act the sum of four pounds shall be deemed to have been paid up on each of the £10 shares substituted for such £50 share and any moneys which have been paid beyond twenty pounds on any £50 share shall be divided into fifths and one such fifth shall be deemed to have been paid in advance on each of the £10 shares substituted for such £50 share.

Consequent alteration of register.

4. The directors shall cause to be made such alterations in the register and other books and documents of the Company and in the share certificates issued to members as may be required to carry into effect the above enactment.

Saving of existing

5. In the case of each £50 share for which five £10 shares are substituted by this Act such five £10 shares shall (whether or not

converted as herein-after provided) to all intents and purposes represent such £50 share and be subject and liable to the same trusts powers provisions declarations agreements charges liens and incumbrances as immediately before the passing of this Act affected such £50 share and so as to give effect to and not to defeat or prejudice any testamentary or other disposition of or affecting the same. A.D. 1881. rights in respect of shares.

6. Subject to the provisions of this Act the directors may from time to time agree with any holder of not less than five £10 shares with not less than four pounds paid thereon that in consideration of the payment herein-after mentioned any set or sets of five of such shares shall be converted into two £10 ordinary shares fully paid up and bearing dividend on the full amount paid up and three £10 preference shares bearing such preferential dividend as herein-after mentioned. Power to convert shares.

7. (1) Not more than one-half of the £10 shares for the time being issued shall be converted under the powers of this Act: Provisions as to conversion.

(2) The option of conversion shall be offered (as from time to time the directors may think expedient) by notice to the members of the Company holding at least one set of five ordinary shares not fully paid up in proportion (omitting fractions) to the number of such shares held by each member respectively:

Provided that no offer shall be made to any member who according to such proportion would not be entitled to an offer to convert at least one set of five shares:

(3) A member who does not within one month after receipt of such notice or such other period as may be specified in the notice signify in writing his acceptance of the offer made by the directors shall be deemed to have refused the same and thereupon the option offered to such member may be offered to any member or members of the Company at the discretion of the directors and where any member accepts the offer of the directors as to some but not all of the shares included therein the option as to the balance may be similarly offered at the discretion of the directors:

(4) There shall be paid to the Company in respect of every set of five shares converted under the powers of this Act at the time of acceptance of the option of conversion or at such other time or times as may be fixed by the directors such sum as will suffice to pay up in full two of the shares converted and such additional sum (if any) by way of premium as the directors may in the notice giving the option of conversion have fixed which sum or sums may be recovered by the Company in like manner as a call duly made on the holder of such shares:

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(5) On payment to the Company of the sum or sums required to be paid in pursuance of this section every set of five shares not fully paid up in respect of which such payment has been made shall be converted into two £10 ordinary shares fully paid up and bearing dividend on the full amount paid up and three £10 preference shares bearing such preferential dividend as herein-after mentioned and with such sum paid up thereon as was paid up at the time of conversion on the shares converted into such preference shares.

Further provisions in case of members who have paid moneys in advance of calls.

8. (1) Where any member of the Company has before the passing of this Act paid any sum or sums in advance of calls on all or some of his shares the directors may if they see fit at any time within six months after the passing of this Act return to him the moneys so paid in advance of calls:

(2) If the directors see fit to exercise the power aforesaid then any such member shall be entitled (notwithstanding any other provision of this Act) to have any set or sets of five of his shares (not exceeding one half of his shares on which a sum or sums has or have been paid in advance of calls as aforesaid) converted into two ordinary shares fully paid up and three preference shares fully paid up on his application within fourteen days after receipt of notice by him of the directors' intention to exercise the power aforesaid and on payment of such sum as will suffice to pay up in full every set of five shares so converted:

(3) Every such sum may be deducted by the directors from the moneys payable to any member by them under this section.

Power to issue new share certificates &c. for purposes of conversion.

9. For the purpose of the foregoing provisions of this Act with respect to the conversion of shares the directors may from time to time issue such new certificates of shares as may be needed and may do all other acts and things necessary and proper for carrying into effect the said provisions.

Dividend on preference shares.

10. The holders of the preference shares under the foregoing provisions of this Act shall be entitled to a preferential dividend of six pounds per centum per annum on the amount for the time being paid up on the preference shares held by them respectively with the right to resort to the net profits of any subsequent year to make up any deficiency in such dividend in any preceding year but such dividend shall in no case carry interest as against the Company.

Power of directors to accept pay-

11. The directors may from time to time as they think expedient in the interests of the Company accept payment from any holder

of preference shares in the Company of the amount for the time being unpaid on all or any of such shares or of any part of such amount.

ment in full of preference shares.

12. Subject to the foregoing provisions of and so as not to affect any preference given by this Act any shares issued subsequently to the passing of this Act may with the sanction of a special resolution be issued with such preferential right to dividend and at a premium or otherwise as the directors may from time to time in the interests of the Company think expedient.

As to future issues of shares.

13. And whereas one hundred shares of fifty pounds each numbered in the register of members of the Company 8612 to 8711 both inclusive have in consequence of the bankruptcy of the member of the Company who held the same and who was indebted to the Company been surrendered to the Company by the trustee in bankruptcy and it is expedient that the said shares should be cancelled therefore the said one hundred shares of fifty pounds each numbered as aforesaid are hereby cancelled.

Certain shares to be cancelled.

14. No call shall exceed the sum of one pound per share and article nine of the Articles of Association of the Company is hereby altered accordingly.

Limiting amount of call.

15. Any notice required to be given for any of the purposes of this Act may be given in manner prescribed by the regulations of the Company and the regulations of the Company with respect to notices shall apply as if they were herein enacted.

Notices.

16. Article forty-nine of the Articles of Association of the Company is hereby cancelled and every member of the Company who has been duly registered at least three months previously to any meeting shall at any poll have one vote in respect of each entire amount of twenty pounds of capital whether ordinary or preference or partly ordinary and partly preference of the Company then actually paid up on shares standing in his name either in payment of calls made or in advance beyond the sums actually called for or otherwise under the provisions of this Act.

Votes to which each shareholder is entitled.

17. The words "Five hundred shares whether ordinary or preference or partly ordinary and partly preference" are hereby substituted for the words "One hundred shares" in article fifty-eight of the Articles of Association of the Company.

Qualification of Directors.

18. The Memorandum and Articles of Association of the Company shall save so far as they are expressly altered by this Act and

General saving.

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without prejudice to the powers of alteration given by the Companies Acts 1862 to 1880 continue in full force and effect.

25 & 26 Vict. c. 89. &c. &c.

Costs of Act.

19. The costs charges and expenses of and incidental to the preparing applying for and obtaining of this Act shall be paid by the Company.

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