CHAPTER 19.

An Act to amend the Companies Acts of 1862, 1867, 1877, and 1879.

[24th March 1880.]

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:

1. This Act may be cited for all purposes as the Companies Act, 1880.

Short title.

2. This Act shall, so far as is consistent with the tenor thereof, be construed as one with the Companies Acts, 1862, 1867, 1877, and 1879, and the said Acts and this Act may be referred to as the Companies Acts, 1862 to 1880.

Construction of Acts.
25 & 26 Vict. c. 89., 30 & 31 Vict. c. 131., 40 & 41 Vict. c. 26., 42 & 43 Vict. c. 76.

3. When any Company has accumulated a sum of undivided profits, which with the consent of the shareholders may be distributed among the shareholders in the form of a dividend or bonus, it shall be lawful for the Company, by special resolution, to return the same, or any part thereof, to the shareholders in reduction of the paid-up capital of the Company, the unpaid capital being thereby increased by a similar amount. The powers vested in the directors of making calls upon the shareholders in respect of moneys unpaid upon their shares shall extend to the amount of the unpaid capital as augmented by such reduction.

Accumulated profits may be returned to shareholders in reduction of paid-up capital.

4. No such special resolution as aforesaid shall take effect until a memorandum, showing the particulars required by law in the case of a reduction of capital by order of the court, shall have been produced to and registered by the Registrar of Joint Stock Companies.

No resolution to take effect till particulars have been registered.

5. Upon any reduction of paid-up capital made in pursuance of this Act, it shall be lawful for any shareholder, or for any one or more of several joint shareholders, within one month after the passing of the special resolution for such reduction, to require the Company to retain, and the Company shall retain accordingly, the whole of the moneys actually paid upon the shares held by such person, either alone or jointly with any other person or persons, and which, in consequence of such reduction, would otherwise be returned to him or them, and thereupon the shares in respect of which the said moneys shall be so retained shall, in regard to the payment of dividends thereon, be deemed to be paid up to the same extent only as the shares on which payment as aforesaid has been accepted by the shareholders in reduction of their paid-up capital, and the Company shall invest and keep invested the moneys so retained in such securities authorised for investment by trustees as the Company shall determine, and upon the money so invested, or upon so much thereof as from time to time exceeds the amount of calls subsequently made upon the shares in respect of which such moneys shall have been retained, the Company shall pay such interest as shall be received by them from time to time on such securities, and the amount so retained and invested shall be held to represent the future calls which may be made to replace the capital so reduced on those shares, whether the amount obtained on sale of the whole or such proportion thereof as represents the amount of any call when made, produces more or less than the amount of such call.

Power to any shareholder within one month after passing of resolution to require Company to retain moneys paid upon shares held by such person.

6. From and after such reduction of capital the Company shall specify in the annual lists of members, to be made by them in pursuance of the twenty-sixth section of the Companies Act, 1862, the amounts which any of the shareholders of the Company shall have required the Company to retain, and the Company shall have retained accordingly, in pursuance of the fifth section of this Act, and the Company shall also specify in the statements of account laid before any general meeting of the Company the amount of the undivided profits of the Company which shall have been returned to the shareholders in reduction of the paid-up capital of the Company under this Act.

Company to specify amounts which shareholders have required them to retain under s. 5.; also to specify amounts of profits returned to shareholders.
25 & 26 Vict. c. 89.

Power of Registrar to strike names of defunct Companies off register.

7.—(1.) Where the Registrar of Joint Stock Companies has reasonable cause to believe that a Company, whether registered before or after the passing of this Act, is not carrying on business or in operation, he shall send to the Company by post a letter inquiring whether the Company is carrying on business or in operation.

(2.) If the Registrar does not within one month of sending the letter receive any answer thereto, he shall within fourteen days after the expiration of the month send to the Company by post a registered letter referring to the first letter, and stating that no answer thereto has been received by the Registrar, and that if an answer is not received to the second letter within one month from the date thereof, a notice will be published in the Gazette with a view to striking the name of the Company off the register.

(3.) If the Registrar either receives an answer from the Company to the effect that it is not carrying on business or in operation, or does not within one month after sending the second letter receive any answer thereto, the Registrar may publish in the Gazette and send to the Company a notice that at the expiration of three months from the date of that notice the name of the Company mentioned therein will, unless cause is shown to the contrary, be struck off the register and the Company will be dissolved.

(4.) At the expiration of the time mentioned in the notice the Registrar may, unless cause to the contrary is previously shown by such Company, strike the name of such Company off the register, and shall publish notice thereof in the Gazette, and on the publication in the Gazette of such last-mentioned notice the Company whose name is so struck off shall be dissolved: Provided that the liability (if any) of every director, managing officer, and member of the Company shall continue and may be enforced as if the Company had not been dissolved.

(5.) If any Company or member thereof feels aggrieved by the name of such Company having been struck off the register in pursuance of this section, the Company or member may apply to the superior court in which the Company is liable to be wound up; and such court, if satisfied that the Company was at the time of the striking off carrying on business or in operation, and that it is just so to do, may order the name of the Company to be restored to the register, and thereupon the Company shall be deemed to have continued in existence as if the name thereof had never been struck off; and the court may by the order give such directions and make such provisions as seem just for placing the Company and all other persons in the same position as nearly as may be as if the name of the Company had never been struck off.

(6.) A letter or notice authorised or required for the purposes of this section to be sent to a Company may be sent by post addressed to the Company at its registered office, or, if no office has been registered, addressed to the care of some director or officer of the Company, or if there be no director or officer of the Company whose name and address are known to the Registrar, the letter or notice (in identical form) may be sent to each of the persons who subscribed the memorandum of association, addressed to him at the address mentioned in that memorandum.

(7.) In the execution of his duties under this section the Registrar shall conform to any regulations which may be from time to time made by the Board of Trade.

(8.) In this section the Gazette means, as respects Companies whose registered office is in England, the London Gazette; as respects Companies whose registered office is in Scotland, the Edinburgh Gazette; and as respects Companies whose registered office is in Ireland, the Dublin Gazette.