CHAPTER v.

An Act for the conversion of the preference stock of the Credit Foncier of Mauritius Limited the cancellation of paid up capital to repeal the Credit Foncier of Mauritius Limited Act 1895 and for other purposes. A.D. 1912.

[25th June 1912.]

WHEREAS the Credit Foncier of Mauritius Limited (in this Act referred to as "the Company") was incorporated in the year 1864 under the Companies Act 1862 as a company limited by shares:

And whereas by the Credit Foncier of Mauritius Limited Act 1895 (in this Act referred to as "the Act of 1895") further powers were conferred on the Company in reference to its capital as in that Act described:

And whereas the directors of the Company by a memorandum in writing under the common seal of the Company dated the 17th day of May 1895 in exercise of the powers conferred by the Act of 1895 determined that each of the ordinary shares of the Company should as soon as the calls made on the 6th November 1894 had been paid be divided into one preference share of £2 (convertible into preference stock on being fully paid up) and one ordinary share of £8 and that the said calls should be treated as paid in respect of the said preference shares and that dividends should be payable on the said preference shares at the rate of £5 per cent. per annum:

And whereas by the same memorandum it was further determined to offer to the holders of the ordinary shares the option of paying up in advance of calls the amount uncalled on all or any of the ordinary shares held by them on the terms that

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any amount so paid in advance should be converted into preference stock entitled to rank for dividend at the rate of £5 per cent. per annum:

And whereas in exercise of such option the sum of £6 per share was paid in advance of calls in respect of 19312 ordinary shares and the amounts so paid thereon were converted into preference stock:

And whereas a further call of 10 shillings per share was made in the year 1908 on the ordinary shares of £8 each:

And whereas in consequence of nonpayment of calls 2730 ordinary shares of £10 each and 7148 ordinary shares of £8 each on which £21,714 10*s.* 10*d.* had been paid up have been forfeited by resolution of the Board:

And whereas the capital of the Company now consists of 25,000 preference shares of £10 each which have never been issued 30,803 ordinary shares of £8 each £2 10*s.* paid up 19,319 ordinary shares of £2 each fully paid up and £230,454 preference stock:

And whereas the Company has issued and there is now outstanding first mortgage debenture stock to the amount of £382,468 part of an authorised issue of £400,000 constituting a first charge on the Company's undertaking:

And whereas £50,000 part of the said sum of £382,468 first mortgage debenture stock has been purchased by the Company and it is expedient that no part of such purchased stock shall be reissued or replaced so as to rank pari passu with the remainder of the first mortgage debenture stock:

And whereas the Company has lost in the course of its business a sum exceeding £150,000 and the amount now standing to the debit of its profit and loss account exceeds £130,000 and the arrears of dividend on the preference stock exceed £98,000:

And whereas the large amount standing to the debit of the Company's profit and loss account and the fact of preference dividend being so long in arrear render it impossible to raise on any reasonable terms any new capital and seriously affect the Company's credit in the conduct of its business and it is expedient to reduce the Company's paid up capital and to convert its preference stock in the manner in this Act provided and to repeal the Act of 1895:

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And whereas the purposes of this Act cannot be effected without the authority of Parliament:

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

Short title.

1. This Act may be cited as the Credit Foncier of Mauritius Act 1912.

Repeal of Credit Foncier of Mauritius Limited Act 1895.

2. The Credit Foncier of Mauritius Limited Act 1895 is hereby repealed.

Conversion of preference stock.

3. As from the passing of this Act the two hundred and thirty thousand four hundred and fifty-four pounds preference stock of the Company shall be and is hereby converted into one hundred and sixty-eight thousand two hundred and thirty-one pounds ordinary stock and each holder of preference stock as on that date shall be and be registered as the holder of such an amount of ordinary stock as shall be equal in amount to seventy-three per centum of the preference stock held by him and the capital of the Company is hereby reduced accordingly The ordinary stock and ordinary shares shall rank pari passu and the holders of ordinary stock shall be entitled to participate in the dividends and profits of the Company according to the amount of their respective interests in such stock and such interests shall in proportion to the amounts thereof confer on the holders thereof respectively the same privileges and advantages as would have been conferred by shares of equal amount in the capital of the Company paid up or credited as paid up on such shares.

Reduction of ordinary shares.

4. The capital of the Company is hereby further reduced by writing off from every fully paid ordinary share of the Company the sum of thirty shillings part of the amount paid thereon and reducing the denomination of each such share by that amount and by writing off from every ordinary share of the Company not fully paid the sum of thirty-seven shillings and reducing the denomination of each such share by that amount.

Creation and issue of redeemable second debenture stock.

5. The directors of the Company shall on the passing of this Act create an issue of fifty thousand pounds redeemable second debenture stock bearing interest at the rate of three per

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centum per annum as from the first of January one thousand nine hundred and eleven payable half-yearly on the thirtieth day of June and the thirty-first day of December in each year the first payment of interest to be paid on the thirtieth of June one thousand nine hundred and twelve The redeemable second debenture stock and the interest thereon shall be secured by a deed under the Company's common seal constituting a floating charge (subject to the first mortgage debenture stock of the Company) on all the property present and future of the Company and its undertaking other than its uncalled capital The said deed shall contain a covenant by the Company to apply in the year ending the thirtieth day of June one thousand nine hundred and thirteen and every subsequent year the sum of three thousand pounds in redemption at the nominal value or the purchase below the nominal value of redeemable second debenture stock and in keeping down the interest thereon The said deed shall also contain a provision to the effect that the charge thereby created shall not be enforced unless the Company shall go into liquidation or shall make default in the performance of the covenant hereby directed during the space of two consecutive years or in the payment of interest on the redeemable second debenture stock for a similar period and all other provisions usual in deeds of the same character including the usual provisions for holding meetings of the holders of redeemable second debenture stock and in case of difference shall be settled by a conveyancing counsel of the court.

Allotment of redeemable second debenture stock.

6.—(1) The redeemable second debenture stock shall be allotted to and among and shall be registered in the respective names of the holders of preference stock appearing in the share register of the Company immediately before the passing of this Act rateably in proportion to the amount of preference stock then held by them respectively and shall be accepted by the allottees in full discharge of all claims in respect of the preference stock or the dividends thereon except their claims to the ordinary stock resulting from the conversion of the preference stock.

(2) Notwithstanding anything in this Act contained no holder of preference stock shall become entitled to any fractional part of a pound of redeemable second debenture stock but in every case in which such holder would but for this enactment have become entitled to a fractional part of a pound of redeemable second debenture stock the Company may at its option pay to

such holder such a sum in cash as shall be equal to the market value of such fractional part or receive from such holder such an amount in cash at the market value aforesaid as will make up the amount of redeemable second debenture stock to which he is entitled under this Act to an integral number of pounds.

Purchased or redeemed 50,000*l.* first mortgage debenture stock not to be re-issued.

7. Notwithstanding any provision of the Companies (Consolidation) Act 1908 no part of the fifty thousand pounds first mortgage debenture stock of the Company already purchased or redeemed shall be reissued or replaced by any stock or debentures ranking pari passu with the remainder of the first mortgage debenture stock.

Advance on calls on ordinary shares.

8. The holders of the partly paid ordinary shares shall have the right to pay to the Company in advance of calls thereon such sums as they may think proper not being less than ten shillings in respect of any share at any one time and the money so paid shall rank for dividend as from payment in the same manner as the money paid on the same shares in respect of calls.

Alteration of articles of association.

9. Article 5 of the Company's articles of association is hereby altered by adding at the end thereof the words " Provided " that no call shall be made on the partly paid up ordinary shares " except in liquidation unless it be consented to in writing by " the holders of one-fifth in number of such shares " but so that the said article as hereby varied may be altered in the same manner as if the said proviso had been added by special resolution.

Voting powers.

10. Every holder of ordinary stock or ordinary shares shall have one vote for each one pound credited as paid up on his stock or shares.

Copy of Act to be registered.

11. The Company shall deliver to the Registrar of Joint Stock Companies a printed copy of this Act and he shall retain and register the same and if such copy is not so delivered within three months from the passing of this Act the Company shall incur a penalty not exceeding two pounds for every day after the expiration of those three months during which the default continues and any director or manager of the Company who knowingly and wilfully authorises such default shall incur the like penalty Every penalty under this section shall be recoverable summarily.

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There shall be paid to the Registrar by the Company on such copy being registered the like fee as is for the time being payable under the Companies (Consolidation) Act 1908 on registration of any document other than the memorandum or the abstract required to be filed with the Registrar by a receiver or manager or the statement required to be sent to the Registrar by the liquidator in a winding-up in England.

References to shares and stock in testamentary and other instruments.

12. In any instrument executed before the passing of this Act references to preference stock of the Company existing before the passing of this Act shall be construed as references to the ordinary shares and stock of the Company into which the same have been converted and any redeemable second debenture stock allotted under the section of this Act of which the marginal note is "Allotment of redeemable second debenture stock" and in the case of any testamentary disposition executed before the passing of this Act any disposition which but for the passing of this Act would have operated as a specific bequest of any preference stock shall be construed as a bequest of the ordinary stock resulting from such conversion and the redeemable second debenture stock so allotted as aforesaid which may continue vested in the testator or of a proportionate part thereof as the case may be.

Saving as to preference shares and borrowing.

13. Nothing in this Act contained shall—

(1) Dercgate from or abridge any power of the Company to issue the said unissued preference shares of ten pounds each or to create and issue any new series of preference shares ranking as regards dividend or capital or both in priority to or pari passu with the said preference shares:

(2) Alter or relax any limitation or condition as to the amount of the bonds debentures or obligations of the Company for the time being contained in the regulations of the Company except so far as necessary to enable the directors to issue the said fifty thousand pounds redeemable second debenture stock without any further authority.

General saving clause.

14. Save as in this Act expressly provided nothing in this Act contained shall prejudice alter or affect the memorandum or articles of association of the Company or shall be deemed to

render valid or invalid any act done or proceeding pending by or against the Company before or at the date of the passing of this Act.

Copy of Act to be supplied to members on request.

15. To every copy of the memorandum and articles of association of the Company supplied after the passing of this Act to any member of the Company under the provisions of section 18 of the Companies (Consolidation) Act 1908 there shall be annexed a copy of this Act which for the purposes of that section shall be treated as part of the memorandum and articles of association of the Company.

Costs of Act.

16. All costs charges and expenses of and incident to the preparing for and obtaining and passing this Act or otherwise in relation thereto shall be paid by the Company.

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FOR
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