

No. 22, 1935.

PRIVATE ACT

To amend the law relating to The Malmesbury Board of Executors and Trust and Fire Assurance Company.

Preamble.

WHEREAS The Malmesbury Board of Executors and Trust and Fire Assurance Company, then known as The Malmesbury Board of Executors and Trust Company, was formed under a Deed of Settlement dated the fourth day of October, 1864, and subsequently incorporated under Act No. 9 of 1865 (Cape):

AND WHEREAS following on amendments made in the said deed of settlement the said company was reincorporated under Act No. 34 of 1884 (Cape):

AND WHEREAS the said company was by Act No. 10 of 1889 (Cape) empowered to undertake the business of fire insurance and to exercise its powers under the name of The Malmesbury Board of Executors and Trust and Fire Assurance Company:

AND WHEREAS under the said original deed of settlement and subsequent amending deed of the twenty-sixth day of May, 1884 the directors were required and authorized to apply to Parliament for an Act *inter alia* providing that the shareholders should be liable in respect of the debts or claims against the company to an amount not exceeding that of the shares respectively held by each shareholder, which application to Parliament has not hitherto been made, but which, by reason of the strength and stability acquired by the said Company it has now been resolved to make:

AND WHEREAS the capital of the said company is under the said Act No. 34 of 1884 (Cape) the sum of twenty thousand pounds (£20,000) divided into two thousand shares of ten pounds each whereof one thousand six hundred and forty-four have been subscribed on each of which five pounds has been paid up in accordance with the said Act:

AND WHEREAS by an amendment made in the said deed of settlement the number of shares which a shareholder may hold may not exceed thirty:

AND WHEREAS the price of the said shares, as evidenced by the figure obtained therefor when the same have from time to time fallen to be realized, has in the past been as high as between fifty and sixty pounds per share and more recently by reason of the general depression in business between forty and fifty pounds per share in consequence whereof the number of persons who are able to invest in such shares is unduly restricted to the disadvantage of the said company:

AND WHEREAS an increase in the number of its shareholders and a subdivision of its shares into shares of a lesser nominal amount than at present would materially benefit the said company and its shareholders:

AND WHEREAS at a special general meeting of the shareholders of the said company duly convened and held on the thirtieth day of October, 1934, a resolution was unanimously adopted authorizing the directors to introduce a Bill with the object of obtaining the said limitation of liability and power to subdivide the said shares:

AND WHEREAS it is expedient that provision should be made for such limitation of liability and that power should be conferred on the company to subdivide its shares:

AND WHEREAS sections *one, three and four* of Act No. 9 of 1865 (Cape) have been repealed otherwise than specifically by Act No. 34 of 1884 (Cape) and it is expedient to repeal the said sections specifically:

BE IT THEREFORE ENACTED by the King's Most Excellent Majesty, the Senate and the House of Assembly of the Union of South Africa, as follows:—

Liability of shareholders limited.

1. The liability of each shareholder of The Malmesbury Board of Executors and Trust and Fire Assurance Company (hereinafter referred to as the company) is hereby limited to

the amount for the time being unpaid on the shares held by him: Provided that the foregoing provision shall not apply in respect of any debts, liabilities or obligations incurred or entered into by the company prior to the commencement of this Act.

Subdivision of shares.

2. Notwithstanding anything to the contrary contained in Act No. 34 of 1884 (Cape) or in any other law, the company if empowered thereto in manner set forth in paragraph (b) of section *one* of Act No. 10 of 1889 (Cape) may from time to time subdivide its shares into shares of smaller amount than as fixed immediately prior to the commencement of this Act: Provided that in any such subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.

Issue of fresh certificates of shares.

3. The directors of the company on tendering to any shareholder a fresh share certificate or certificates consequent on any such subdivision in lieu of that previously held by him shall be entitled to call for delivery of and to cancel the previously issued certificate or certificates.

Repeal of sections 1, 3 and 4 of Act No. 9 of 1865 (Cape), and amendment of section 5 of Act 34 of 1884.

4. Sections *one*, *three* and *four* of Act No. 9 of 1865 (Cape) are hereby repealed and section *five* of Act No. 34 of 1884 (Cape) shall be read and construed as if the words "one-tenth of the nominal value of each share" were substituted for the words "one pound sterling per share".

Short title.

5. This Act may be cited as The Malmesbury Board of Executors and Trust and Fire Assurance Company (Amendment) (Private) Act, 1935.