

No. XXIII.

An Act to incorporate No-liability Mining Companies. [31st March, 1881.]

NO-LIABILITY
MINING COMPANIES.

BE it enacted by the Queen's Most Excellent Majesty by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled and by the authority of the same as follows:—

1. Companies may be incorporated by registration under this No-liability system. Act for mining purposes on a system to be called "The No-liability System" and every company so incorporated shall add after the name the words "No Liability."

2. In order to obtain such registration it shall be necessary that Mode of obtaining registration. ten per cent. of the subscribed capital shall be paid up and there must be lodged in the office of the Registrar General a memorandum signed by some person as the manager of such company which shall contain the several matters and may be in the form contained in the Second Schedule. Second Schedule hereto. The said memorandum must be verified by a statutory declaration of the person so signing as manager containing the statements and made in the form of the said Schedule. Within seven days after the day of such lodgment a copy of the said memorandum and declaration shall be published in one or more than one newspaper circulating in the district in which the companies operations are being or to be carried on and a like copy shall be forwarded to the office of the *Government Gazette* for publication therein and which on the proper payment being made therefor shall accordingly be therein published. As soon after such publication as the same can be done copies of such newspapers and also of the said *Government Gazette* and of any rules proposed to be made by such company shall be forwarded to the office of the said Registrar General to be there retained and filed with the said memorandum.

3. The Registrar General shall keep a Companies register Registration effected by Registrar General. book to be entitled the No-liability Mining Companies Register Book and on receipt by him of the said newspapers *Government Gazette* copies and copy of rules (if any) he shall enter the date of such receipt and shall write and sign at the foot of the copy of the memorandum so lodged the words "The above No-liability Mining Company was registered by me on the _____ day of _____ eighteen hundred and _____ by the name of 'The Company No-liability'" and upon such writing being signed by the Registrar General the said No-liability Mining Company shall be deemed to be registered under this Act.

4. A certificate in the form or to the effect in the First Schedule Proof of registration. to this Act purporting to be under the hand of the Registrar General (who is hereby required to give such certificate to any person applying for the same on payment of one shilling) and which certificate shall describe the *Government Gazette* and copy of their respective dates and the newspapers by their respective names and dates shall be conclusive evidence in all Courts that the company has been duly registered under the provisions of this Act and of the time of its registration.

5. Any copy of the *Government Gazette* described in such certificate as aforesaid shall be *prima facie* evidence that the persons named therein as shareholders in any such mining company are such Copies of Government Gazette to be evidence of shareholders. shareholders.

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Incorporation of
company.

6. Upon the registration the persons whose names shall be contained in the said memorandum together with such other persons as may thereafter from time to time become members of the company shall be a body corporate by the name contained in such memorandum capable forthwith of exercising all the functions of an incorporated company and having a perpetual succession and a common seal with power to hold lands for mining purposes under any Act now or hereafter to be in force relating to mining and be capable of suing and being sued in its corporate name.

Shareholders not
liable to calls or
contributions.

7. The acceptance of a share in any mining company registered as aforesaid whether by original allotment or by transfer shall not be deemed a contract on the part of the person accepting the same to pay any calls in respect thereof or any contribution to the debts and liabilities of the company and such person shall not be liable to be sued for any such calls or contributions but he shall not be entitled to a dividend upon any share upon which a call shall be due and unpaid.

Forfeiture of shares.

8. Any share upon which a call shall at the expiration of twenty-eight days after the day for its payment be unpaid shall thereupon be absolutely forfeited without any resolution of directors or other proceeding. The share when forfeited shall be sold by public auction advertised in two issues of a newspaper circulating in the district where the Company's mine is situated and in two issues of a daily newspaper published in Sydney the last of such advertisements being not less than fourteen days before the day appointed for the sale and every such advertisement shall state the number in the company's share-list of each share so forfeited and the proceeds shall be applied in payment of the call unpaid thereon and of any expenses necessarily incurred in respect of the forfeiture and the balance (if any) shall be paid to the shareholder on his delivering to the Company the scrip representing the forfeited share and new scrip may be issued by the directors for such forfeited shares in place of the scrip forfeited and cancelled by the sale aforesaid.

Winding-up of
No-liability Company
and other proceed-
ings thereon.

9. The procedure upon dissolution and winding-up of a company registered under this Act shall be as follows viz.:—Where it is intended that any such company shall be dissolved it shall be necessary in the first place for the directors thereof to summon a special meeting of the shareholders of which not less than fourteen days notice shall be given in the *Government Gazette* and in one or more daily newspapers (if any) circulating in the district where the company's mine is situated and at such meeting not less than one-third in number and value of the shareholders shall be represented in person or by proxy and if at such meeting a majority shall decide in favour of dissolution it shall be incumbent upon the directors to present a petition from the manager of the company to the Chief Commissioner of Insolvent Estates setting forth the facts accompanied by an affidavit to the effect that all the liabilities of the company have been discharged and praying for a dissolution of the said company and if no such quorum attend such meeting the directors shall be at liberty to present such petition as aforesaid. If such Commissioner shall be satisfied therewith and of the fact that there are no liabilities he may make an order that such company shall be dissolved from the date of such order and it shall be dissolved accordingly. And he may also by such order direct how the assets (if any) of the said company are to be distributed and how all the books papers and documents connected therewith are to be disposed of. But any such order or direction shall be subject to appeal to the Supreme Court at the instance of any person aggrieved by such order or direction in the same manner as nearly as practicable as any order or direction in insolvency of the said Commissioner is now or may hereafter be by law subject to appeal.

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10. Any registered or unregistered company formed for mining purposes previously to the passing of this Act may with the consent of a majority in number and value of the shareholders in such company present in meeting personally or by proxy and with the consent in writing of all the creditors (if any) be incorporated as a no-liability mining company but in any such case the memorandum hereinbefore required by the second clause shall distinctly state the consent of such majority together with the place and date of holding such meeting and the consent in writing of the creditors shall be lodged with the Registrar General together with such memorandum.

Previously registered companies may be registered as no-liability companies.

11. On the registration of any such company as a no-liability mining company all liabilities of the shareholders for calls shall from thenceforth cease. In the event of the winding-up of such a company the shareholders shall not be bound to contribute to the debts or liabilities of the company contracted after such registration. Provided always that notwithstanding such registration any person having any claim or demand in respect of any contract which shall have been made or happened before such registration shall have the same remedy as if such registration had not taken place.

On the registration as a no-liability company liability of shareholders to cease.

12. Any manager or agent of a No-Liability Company ordering goods plant and other necessities for the purposes of the Company shall do so on paper bearing the Company's name with the word "No-Liability" added together with the word "No-Liability" inscribed in coloured ink across such order. Provided that if goods be ordered otherwise than aforesaid the person ordering the same shall be personally liable.

The Manager or Agent of a No-Liability Company to order goods &c. on paper.

13. A No-Liability Company shall be deemed duly registered under this Act notwithstanding any error in the name address or occupation of a shareholder.

Registration not affected by reason of error in name address or occupation of shareholder.

14. The calls upon shares in every company registered under this Act shall be made in such time and manner as they shall be payable on the second Wednesday in a month and on that day only. Provided that if such Wednesday is a public holiday they shall be payable on the following day such day not being less than seven days from the day on which the call shall be made. A notice shall be printed on the face of the companies scrip stating that that day is the day on which calls are payable. When a call shall have been made notice of the day when it will be payable and of the place for payment thereof shall be published in the *Government Gazette* in a daily newspaper published in Sydney and in one or more papers circulated in the locality wherein the company's mine is situated.

Calls to be due on the second Wednesday in any month.

15. When a call shall have been made no subsequent call shall be made until after the expiration of fourteen days from the day when the call so made shall be payable.

No call to be made until previous call paid.

16. The majority in number and value of the shareholders in any no-liability company may from time to time after incorporation make and alter rules for the appointment or election of directors auditors and other officers of such company for regulating the power and duties of such directors and officers for the conduct of the business at meetings of the Board of Directors and generally for the management and purposes of the company not inconsistent with this Act and such rules shall be binding on the company. A copy of every rule made or altered by a no-liability company shall immediately after the making or altering thereof be filed at the Registrar General's Office.

Company may make rules &c.

17. Every company registered under this Act shall have a registered office situate in this Colony to which all communications and notices may be addressed and service of any notice or of any writ declaration plaint Judge's order or other proceeding or process whatsoever in any action suit or proceeding at such office shall be deemed to be

Company to have a registered office.

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be service upon the company and if any company shall carry on business without having such an office the manager thereof shall be liable to a penalty not exceeding five pounds for every day during which business shall be so carried on.

Companies subject to
certain provisions
of 37 Vic. No. 19.

18. All companies registered under this Act shall be subject to the following clauses of the Companies Act thirty-seventh Victoria number nineteen so far as they are applicable thereto numbers eighteen sixty-nine seventy eighty-one to ninety-three both inclusive.

SCHEDULES.

FIRST SCHEDULE.

THIS is to certify that a Mining Company called "The _____ Company No-liability" has been duly registered by virtue of the No-liability Mining Companies Act incorporated a memorandum pursuant to the said Act having been duly lodged in the office of the Registrar General and published in the *Government Gazette* of the _____ day of _____ and in the _____ newspaper of the _____ day of _____ [if any other newspaper mention it] and copies of the said *Government Gazette* and newspaper [if a copy of rules has been forwarded add also a copy of proposed rules of the Company] have been duly forwarded to the said office.

Given under my hand this _____ day of _____

A.B.
Registrar General.

SECOND SCHEDULE.

I THE undersigned hereby make application to register [here insert the name of the Company] as a No-liability Mining Company under the provisions of the "No-liability Mining Companies Act of 1881"—

- (1.) The name of the Company is to be _____
- (2.) The place of operations [or intended operations] is at _____
- (3.) The registered office of the Company will be situated at _____
- (4.) The value of the Company's plant and machinery is _____
- (5.) The Company's mine consists of _____ acres held under [here insert nature of Company's title.]
- (6.) The amount of money at the Company's credit is _____ and the total liability of the Company is _____
- (7.) The nominal capital of the Company is £ _____ in _____ shares of _____ each of which _____ are paid up to _____ each and _____ are contributing shares to the extent of _____ each.
- (8.) The number of contributing shares subscribed for is _____
- (9.) The name of the manager is _____
- (10.) The names and addresses and occupations of the shareholders and the number of shares distinguishing the contributing from the non-contributing shares held by each at this date are as below.

[Here insert names &c. of shareholders.]

- (11.) Ten per cent. of the subscribed capital has been duly paid up.
- (12.) The only contracts entered into on behalf of this Company are those of which the particulars are stated hereunder.

A.B.
Manager.

Dated this _____ day of _____ 18 _____

Witness to signature C.D.

I A.B. do solemnly and sincerely declare that—

- (1.) I am the manager of the said intended Company.
- (2.) The above statement is to the best of my belief and knowledge true in every particular.

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of an Act made and passed in the ninth year of the reign of Her present Majesty intituled "*An Act for the more effectual abolition of oaths and affirmations taken and made in various Departments of the Government of New South Wales and to substitute Declarations in lieu thereof and for the suppression of voluntary and extra-judicial oaths and affidavits.*"

Taken before me—

J.P.