



CHAPTER iii.

An Act for enabling the Chosen Syndicate Limited A.D. 1926.
to reorganise and increase its capital and to provide for the cancellation of its "B" shares and to issue fully paid shares in exchange for the same and for other purposes.

[29th April 1926.]

WHEREAS the Chosen Syndicate Limited (in this Act called "the Company") was incorporated in the year 1923 under the provisions of the Companies Acts 1908 to 1917 as a private company limited by shares with a capital of 20,000*l.* divided into 19,950 "A" shares of 1*l.* each and 1,000 "B" shares of 1*s.* each :

And whereas under and by virtue of various special resolutions since duly passed the Company has become a public company and its capital now consists of 275,000*l.* divided into 274,000 "A" shares of 1*l.* each and 20,000 "B" shares of 1*s.* each all of which have been issued and are fully paid up :

And whereas in pursuance of the power in that behalf contained in Article 44 of the Company's Articles of Association the Company has issued share warrants to bearer in respect of some of the said "A" shares and "B" shares :

And whereas under Article 5 of the Company's Articles of Association the following rights are attached

[Price 4*d.* Net.]

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A.D. 1926. to the said "A" shares and "B" shares inter se (that is to say) :—

- (a) Any profits which it may at any time be determined to distribute among the members by way of dividend are to be applied :—

First In paying a fixed non-cumulative preferential dividend at the rate of 10 per centum per annum to the holders of the "A" shares in proportion to the amount of capital paid up or credited as paid up on such "A" shares held by them respectively ;

Secondly The balance (if any) of such profits is to be distributed as to 60 per centum thereof among the holders of the said "A" shares in proportion to the amount of capital paid up or credited as paid up on such "A" shares held by them respectively and as to the remaining 40 per centum thereof among the holders of the "B" shares in proportion to the amount of capital paid up or credited as paid up on such "B" shares held by them respectively ;

- (b) In a winding up any assets available for distribution among the members (that is to say the surplus after paying off debts and liabilities and the costs of winding up but without repaying paid-up capital) is to be divided as to 60 per centum thereof between the holders of the "A" shares in proportion to the "A" shares held by them respectively and as to the remaining 40 per centum thereof among the holders of the "B" shares in proportion to the "B" shares held by them respectively ;

And whereas the Company is desirous that the "B" shares should be extinguished and as a result of negotiations between the directors of the Company and the holders of the "B" shares an arrangement has been come to for the surrender of such "B" shares in consideration of the allotment and issue to the holders thereof respectively of fully paid shares in the Company of 1*l.* each in the proportion of eight fully paid 1*l.* shares for every "B" share and so that all distinction shall be abolished between "A" shares and "B" shares ;

And whereas it is expedient that such arrangement as aforesaid be sanctioned and that the capital of the Company be increased as hereinafter provided and that the other provisions of this Act be enacted: A.D. 1926.

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 present Parliament assembled and by the authority of the same as follows:—

1. This Act may be cited as the Chosen Syndicate Limited Act 1926. Short title.

2. From and after the passing of this Act the capital of the Company (apart from the two hundred and twenty-six thousand new shares hereinafter mentioned) shall be two hundred and seventy-four thousand pounds divided into two hundred and seventy-four thousand shares of one pound each all of which have been issued and are fully paid and represent the old "A" shares of the Company. Statement of capital as altered by Act.

3. The "B" shares of the Company and all rights and privileges in respect thereof shall be and the same are hereby extinguished and the holders of such shares shall forthwith after the passing of this Act surrender to the Company for cancellation the certificates or (as the case may be) the share warrants to bearer for the "B" shares held by them. Extinction of "B" shares.

4. The capital of the Company is hereby increased to five hundred thousand pounds by the creation of two hundred and twenty-six thousand new shares of one pound each and such new shares and the said existing two hundred and seventy-four thousand shares of one pound each shall (subject to the provisions of the section of this Act of which the marginal note is "Rights of part of new shares") form one class and rank *pari passu* as regards dividend voting rights and in all other respects and none of the said five hundred thousand shares shall be called or known as "A" shares. Increase of capital.

A.D. 1926.

Allocation of
new shares.

5. Of the said new shares one hundred and sixty thousand shall be issued as fully paid up and the sum of one pound shall be deemed to have been paid up on each of those shares accordingly and the Company shall upon the surrender of the certificates or share warrants to bearer for the "B" shares allot the said one hundred and sixty thousand shares to the holders of the "B" shares and issue registered certificates therefor in substitution for such "B" shares on the following basis that is to say For every existing "B" share in the Company there shall be allotted eight of such new shares of one pound each which shall be vested in the holder of such "B" shares and shall forthwith be registered in his name in the register of members of the Company The remaining sixty-six thousand of the said new shares shall be under the control of the directors of the Company who may allot or otherwise dispose of the same under the provisions of Article 6 of the Company's Articles of Association.

Rights of
part of new
shares.

6. The said remaining sixty-six thousand of the said new shares and also any other new shares from time to time to be issued by the Company not forming part of the said one hundred and sixty thousand new shares referred to in the immediately preceding section of this Act may from time to time be issued with any such right of preference whether in respect of dividend or of repayment of capital or distribution of assets or any such other special privilege or advantage over any shares previously issued or to be issued and at any price (whether at a premium or otherwise) or with such defined rights as compared with any shares previously issued or to be issued or subject to any such special conditions and with any special right or without any right of voting and generally on such terms as the Company may from time to time by resolution in general meeting direct and if no such direction be given as the directors may determine.

Sub-division
of shares.

7. Any shares of any particular class whether issued or not may by special resolution of the Company be sub-divided with such right to participate in profits as between the shares resulting from such sub-division as the holders of the particular class of shares to be so sub-divided may from time to time ratify in accordance with Article 56 of the Company's Articles of Association.

8. From and after the passing of this Act references in any instrument existing before the passing of this Act either to the "B" shares or to the "A" shares of the Company shall be construed as references to the shares of the Company's capital as reorganised by this Act.

A.D. 1926.

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References
in instru-
ments to
old shares.

9. Paragraphs 6 and 7 of the Memorandum of Association of the Company and Article 5 of the Articles of Association of the Company are hereby cancelled and the Memorandum and Articles of Association of the Company shall be read and construed so as to conform with the provisions of this Act.

Alteration
of Memo-
randum and
Articles of
Association.

10. Nothing in this Act shall affect the right of the Company from time to time to increase or reduce its capital in manner provided by the Companies (Consolidation) Act 1908 and the regulations for the time being of the Company or to alter its Memorandum of Association in manner provided by the said Act of 1908 or its Articles of Association for the time being by special resolution passed and confirmed by the Company in general meeting.

Saving right
to alter
capital and
Memo-
randum and
Articles of
Association.

11.—(1) 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 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 the said 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.

Copy of Act
to be regis-
tered.

(2) Every penalty under this section shall be recoverable summarily.

(3) There shall be paid to the said 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 a memorandum of association.

(4) The registration of a printed copy of this Act in accordance with this section shall be deemed to be a compliance with subsection (1) (b) of section 88 of the Companies (Consolidation) Act 1908 so far as relates

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to contracts in such subsection mentioned but nothing in this section shall relieve the Company from the liability of filing a return under the said subsection (1) (b) stating the number and nominal amount of the new shares allotted to the holders of the "B" shares under the foregoing provisions of this Act and the names addresses and descriptions of the allottees.

As to pay-
ment of
duty and fee
on increase
of capital.

12.—(1) Within fifteen days from the passing of this Act the Company shall—

- (a) deliver to the Registrar of Joint Stock Companies the statement required by section 112 of the Stamp Act 1891 of the amount of the increase of capital authorised by this Act such statement being duly stamped with the duty charged thereon;
- (b) give to the said Registrar the notice required by section 44 of the Companies (Consolidation) Act 1908 of such increase of capital; and
- (c) pay to the said Registrar the fee required for registration of such increase of capital under Table B of the First Schedule to the last-mentioned Act.

(2) If the Company make default in delivering the statement mentioned in paragraph (a) of subsection (1) of this section duly stamped with the duty charged thereon such duty with interest thereon at the rate of five per centum per annum from the passing of this Act shall be a debt to His Majesty recoverable from the Company.

(3) If the Company make default in giving to the said Registrar the notice mentioned in paragraph (b) of subsection (1) of this section or in paying the fee mentioned in paragraph (c) of the said subsection (1) they shall be liable to a fine not exceeding five pounds for every day during which the default continues.

Copies of
Act to be
annexed to
Memo-
randum and
Articles of
Association.

13. 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. A.D. 1926. —

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

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