

NOTICES.

COLONIAL SECRETARY'S DEPARTMENT.

No. 550.—It is hereby notified that the China (Companies) Order-in-Council, 1915, referred to in the Companies Ordinance, 1915, (Ordinance No. 31 of 1915), was made on the 30th November, 1915. No copy of the Order as made is therefore available in the Colony, but the following is a copy of the draft of the Order-in-Council in its latest known form.

CLAUD SEVERN,
Colonial Secretary.

17th December, 1915.

CHINA (COMPANIES) ORDER-IN-COUNCIL, 1915.

Whereas by Treaty, usage, sufferance, and other lawful means, His Majesty the King has jurisdiction in China; and

Whereas it is desirable to make further provision, with reference to the exercise of jurisdiction over British Companies carrying on business within the limits of this Order:

Now, therefore, His Majesty by virtue and in exercise of the powers in this behalf by "The Foreign Jurisdiction Act, 1890," or otherwise, in His Majesty vested is pleased, by and with the advice of His Privy Council to order, and it is hereby ordered as follows:—

1. This Order may be cited as "The China (Companies) Order-in-Council, 1915," and shall be read as one with the "China Order, 1904" (hereinafter called the "Principal Order"), and with any Order amending the same.

2. In this Order—

"The Ordinance" means "The Companies Ordinance 1911 of the Colony of Hongkong," and includes any Ordinance amending or substituted for the same.

"The Life Insurance Companies Ordinance" means the Life Insurance Companies Ordinance, 1907, of the Colony of Hongkong, and includes any Ordinance amending or substituted for the same.

"China Company" means a company limited by shares or by guarantee incorporated under the Ordinance and the operations of which are directed and controlled from some place within the limits of this Order.

"Hongkong China Company" means a company incorporated under the Ordinance which carries on some part of its business within the limits of this Order and the operations of which are directed and controlled from some place in Hongkong.

"British Company" means a company incorporated in the United Kingdom, or in a British possession, and includes a China Company and a Hongkong China Company.

3.—(1.) The Consul General at Shanghai, including any person acting for such Consul General, shall be Registrar of Companies at Shanghai.

(2.) All acts done within the limits of this Order in pursuance of the provisions of the Ordinance or of the Life Insurance Companies Ordinance by, to, with, or before the Registrar of Companies at Shanghai shall, subject to the provisions of this Order, be of the same force and validity as if they had been done by, to, with, or before the Registrar of Companies in Hongkong.

(3.) The Registrar of Companies at Shanghai shall be entitled to initiate such proceedings in the Court as he may think necessary to enforce compliance with the provisions of this Order on the part of British Companies in China.

4. The Judge may by Rules of Court confer upon Provincial Courts jurisdiction in matters dealt with in the Ordinance, and may specify in such rules the Courts by which, and the classes of cases in which, such jurisdiction shall be exercised, but subject thereto the jurisdiction conferred by the Ordinance upon any Court shall within the limits of this Order be exercised by the Supreme Court.

5. In all matters relating to a Hongkong China Company the jurisdiction of the Supreme Court and of the Supreme Court of Hongkong shall be concurrent, and the said two Courts shall in all respects be auxiliary to each other.

6. Where any proceedings relating to a Hongkong China Company, or for the winding up of any such Company, are commenced in the Supreme Court, and it appears that the principal part of such company's business is carried on within the limits of Hongkong or that for any other reason such proceedings might more conveniently be carried on at Hongkong, the Supreme Court may, of its own motion, or on the application of any party, make an order transferring the proceedings to the Supreme Court of Hongkong.

7. The Supreme Court shall enforce within the limits of this Order any order or decree made by the Supreme Court of Hongkong in the course of any proceedings relating to a Hongkong China Company, or for the winding up of any such company.

8.—(1.) The majority of the directors of a China Company shall be British subjects resident within the limits of this Order.

(2.) If at any time the proportion of directors who are British subjects resident within the limits of this Order falls to or below one-half, it shall be the duty of the directors and also of the shareholders of the company to take within thirty days, or such further period as the Court may allow, all necessary steps for the appointment of such number of directors who are British subjects resident within the limits of this Order as may be necessary to comply with the provisions of this article.

(3.) If default is made in compliance with this article the company shall be liable to a fine not exceeding fifty dollars for every day during which the default continues, and every director and every manager of the company who knowingly authorizes or permits the default shall be liable to the like penalty.

(4.) Failure to comply with the provisions of this article shall be a ground upon which an order for winding up the company may be made by the Court.

9. No person other than a British subject shall be entitled to act as the auditor of a China Company. The appointment of any such person as the auditor of a China Company shall be void, and any certificate or other document given, or act done, by any person who is not a British subject purporting to act as auditor of a China Company shall not be held to comply with any requirements of the Ordinance.

10. No person other than a British subject shall be appointed to act within the limits of the Order as liquidator of a British Company or as receiver or manager on behalf of the debenture-holders of the property of a British Company except with the sanction of the Court.

11.—(1.) All documents and other written information which a company is required by the Ordinance to file with the Registrar of Companies shall in the case of a China Company be filed with the Registrar of Companies at Shanghai, and a copy of all such documents and other written information shall, in the case of a Hongkong China Company, be filed with the Registrar of Companies at Shanghai.

(2.) If any company to which this article applies fails to comply with its provisions, the company and every officer and agent of the company who is knowingly a party to the default shall be liable to a fine not exceeding fifty dollars for every day during which such default has continued.

12. The registered office of a China Company shall be situated within the limits of this Order.

13.—(1.) No shares shall be issued by a China Company except either as fully paid up shares or upon the term that the shares shall be paid up in full within a specified period not exceeding *three* months after allotment.

(2.) Shares issued by a China Company otherwise than as fully paid up shares shall be deemed to be issued upon the condition that if not paid for in full before the expiration of one week from the date upon which the final payment was due, they shall be forfeited by the directors, and it shall be the duty of the directors at the expiration of that period to forfeit the said shares. Notice of the forfeiture of any such shares shall forthwith be given to the registered holder.

Any shares so forfeited shall be deemed to be the property of the company, and the directors may sell, reallot, or otherwise dispose of the same in such manner as they think fit. Certificates or other documents of title relating to shares forfeited under this article shall be returned to the Company.

(3.) Within one month of the expiration of the time allowed for the completion of the payment of all sums due upon the shares, the secretary of the company shall forward to the Registrar of Companies at Shanghai a return signed by the auditor of the Company, giving particulars of the shares issued, of the amounts paid thereon, of the shares in respect of which default has been made in payment of sums due, and of the shares forfeited.

(4.) If shares are issued by a China Company on terms which fail to comply with the provisions of this article, or if other default is made in complying therewith, the Company, and every director, manager, secretary, and other officer, who is knowingly a party to such issue or default, shall be guilty of an offence, and shall be liable to a fine not exceeding \$500 for every day during which such offence continues.

(5.) Where on application made it is established to the satisfaction of the Court that there has been a failure to comply with the provisions of this article through inadvertence or accidental miscalculation or from some other reasonable cause, and not from any want of good faith, the Court may, if under all the circumstances it considers it just so to do, give relief from any forfeiture or penalty which has been incurred by the applicant, or to which he is, or may be, liable upon such terms as it may think fit.

(6.) The provisions of this article shall only apply to shares issued by a China Company after the date when this Order comes into effect.

14.—(1.) No China Company limited by guarantee shall be allowed to operate in China without the consent of the Minister.

(2.) As a condition of this consent the Minister may require that no person other than a British subject shall be a member of the company, or that any member of the company who is not a British subject shall deposit in Court or give security for or conform to such arrangement as the Minister shall think fit, for ensuring the payment of the amount for which he would be liable under the guarantee.

(3.) If any China Company limited by guarantee operates in China without the consent of the Minister, or if any terms imposed by him as a condition of his consent are not complied with, the company and every director, or manager, secretary, and other officer, who is knowingly a party thereto, shall be guilty of an offence, and shall be liable to a fine not exceeding \$500 for every day during which such offence continues.

(4.) Where on application made it is established to the satisfaction of the Court that there has been a failure to comply with the provisions of this article through inadvertence or accidental miscalculation or from some other reasonable cause, and not from any want of good faith, the Court may, if under all the circumstances it considers it just so to do, give relief from any forfeiture or penalty which has been incurred by the applicant, or to which he is, or may be, liable upon such terms as it may think fit.

(5.) The provisions of this article shall not apply to China Companies limited by guarantee operating in China at the date of this Order.

15.—(1.) Subject to the provisions of this Order the jurisdiction of the Court in respect of all British Companies carrying on business in China shall be exercised, so far as circumstances admit, in conformity with the provisions of the Ordinance and of the Life Insurance Companies Ordinance, except that section 16 of the Companies Amendment Ordinance, 1913, shall not apply in China.

(2.) Where reference is made or inferred in any section of the said Ordinances to any other Ordinance of the Colony of Hongkong which does not apply within the limits of this Order, such section shall be read as though the corresponding law or enactment applicable in England were referred to therein.

(3.) The duties of the Governor, or of the Governor-in-Council, or of the Colonial Treasurer under sections 20, 21, 120 (4), 219, 253, and 255 of the Ordinance shall within the limits of this Order be exercised by the Minister, and under sections 141 (1), 149, 185, 217, and 261 shall within the limits of this Order be exercised by the Judge.

(4.) In the application of the said Ordinances "legal practitioner" is substituted for "Counsel" or "solicitor" or "solicitor and counsel," and "such newspaper as the Judge may direct" is substituted for "the *Gazette*".

(5.) All offences under the said Ordinances made punishable by fine may, if committed within the limits of this Order, be prosecuted summarily under article 48 of the Principal Order, provided that the maximum fine which can be imposed in the case of offences under the Ordinances tried summarily shall be £200 instead of £20.

16.—(1.) The power of the Judge under article 119 of the Principal Order to make rules of Court shall extend to any matter which under the Ordinance or under the Life Insurance Companies Ordinance is to be regulated by rules.

(2.) Any rules in force at Hongkong at the date of this Order relating to matters dealt with in the said Ordinances, shall, unless and until they are repealed by rules made under this article, apply, so far as circumstances admit, within the limits of this Order.

17. All fees prescribed by or under the Ordinance or by or under the Life Insurance Companies Ordinance which are paid to the Registrar of Companies at Shanghai shall be paid by him to the Colonial Treasurer at Hongkong.

18. Nothing in this Order shall prejudice or affect the jurisdiction of the Supreme Court over British Companies other than China Companies and Hongkong China Companies within the meaning of this Order.

19. This Order shall come into effect on January 1, 1916.

And the Right Honourable Sir Edward Grey, Baronet, K.G., one of His Majesty's Principal Secretaries of State, is to give the necessary directions herein.

SUPREME COURT.

No. 551.—It is hereby notified that the name of the CHE CHEONG COMPANY, LIMITED, has been struck off the Register.

No. 552.—Under Section 16 of the Companies Amendment Ordinance, 1913, it is hereby notified, for general information, that in addition to those already notified the following person has made application to be appointed auditor for the purposes of the Companies Ordinances, 1911 and 1913, and that he is, in my opinion, qualified to perform the duties required by the said Ordinances to be performed by an auditor:—

GEORGE F. LINDSAY, *Shanghai.*

HUGH A. NISBET,
Registrar of Companies.

17th December, 1915.