

Hon. Sir J. Vogel.

NEW ZEALAND INTERNATIONAL SOUTH SEA TRADING COMPANY.

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A BILL INTITULED

AN ACT to create the New Zealand International South Sea Trading Company, and to grant the said Company so created various Powers and Privileges. Title.

5 WHEREAS the trade resources of the various islands in the Pacific Ocean are as yet only partially developed: And whereas the inhabitants of England, France, Germany, and the United States of America have various interests in many of the said islands: And whereas there has been for many years some commerce and communication between New Zealand and various of the said islands: And whereas New Zealand possesses many advantages for the development of the trade and resources of the said islands: And whereas it is expedient that encouragement should be given to the development of the trade with the said islands: And whereas the formation of a Company in New Zealand, to develop the commerce of the said islands, and to further the trade between them and New Zealand has been proposed: And whereas it is desirable that certain powers should be granted to the said Company, to enable it successfully to carry on its operations, and that the Government of New Zealand should to some extent control these operations: Preamble.

2 *New Zealand International South Sea Trading Company.*

BE IT THEREFORE ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows :—

Short Title.

1. The Short Title of this Act is “The New Zealand International South Sea Trading Company Act, 1884.” 5

Interpretation.

2. In this Act the following words and expressions shall have the meanings hereby assigned to each respectively, unless there be something in the subject or context repugnant thereto, that is to say,—

“Company” shall mean the New Zealand International South Sea Trading Company incorporated under this Act: 10

“Member” shall mean any person whose name is on the register of shareholders of the Company:

“Government” shall mean the Government of the Colony of New Zealand:

“Colonial Secretary” shall mean the Colonial Secretary of New Zealand, or the Minister acting as such: 15

“Colonial Treasurer” shall mean the Colonial Treasurer of New Zealand, or the Minister acting as such:

“Islanders” shall mean the inhabitants of whatever race of the islands in the Pacific Ocean with which the Company may have business relations: 20

“Governor in Council” shall mean the Governor of New Zealand, acting with the advice and consent of the Executive Council of New Zealand:

“Gazette” shall mean the *Gazette* published by or under the authority of the Government of New Zealand, and includes any supplement thereof published as aforesaid in any place. 25

Company incorporated.

3. Such and so many persons as have already become, or at any time or times hereafter shall or may become proprietors of shares of or in the capital for the time being of the Company, and their successors, shall, for the purposes hereinafter mentioned, but subject nevertheless to the conditions, restrictions, regulations, and provisions hereinafter contained, be and constitute one body politic and corporate in name and in deed, by the name of “The New Zealand International South Sea Trading Company,” and such corporation shall have and possess all the powers, authorities, and privileges which corporations ordinarily possess, and in addition such special powers, privileges, and authorities as may by this Act or hereafter be conferred upon it. 30 35

Objects of the company.

4. The objects for which the Company is established are,— 40

(a.) To develop the trade and producing resources of the islands in the Pacific Ocean, to facilitate the interchange of products and merchandise between the said islands and other countries, and to establish factories for the utilization of the products of the said islands; 45

(b.) To promote the civilization, education, and industrial employment of the islanders, and thereby discourage the labour traffic among the said islands;

(c.) Generally, to do and perform all such acts, matters, and things as the Company may deem incidental or otherwise conducive to the attainment of any of the above objects: 50

And it shall be lawful for the Company to undertake and conduct all such operations as aforesaid, but subject to the restrictions and provisions hereinafter contained.

5 5. For carrying out any of the objects of the Company it shall be lawful for the Company to acquire any interest in land, by cession or purchase, or other lawful means, and to acquire steam and sailing vessels, and also charter or lease any steam or sailing vessels. Power to acquire land, vessels, &c.

6. For the purpose of the immediate operation of this Act there shall be a provisional directory, consisting of eight persons, of whom First provisional directors.
10 two shall be appointed by the Governor in Council, and six shall be elected by an electoral body consisting of not less than twenty-five persons, whom the Governor shall appoint for that purpose.

The Governor in Council shall appoint one of the provisional directors nominated by him to be President of the Court of Directors, President.
15 who shall hold office as President until the expiry of his term of office as a provisional director.

The provisional directors may be elected or appointed at any time after the passing of this Act, and they shall continue in office until their successors are appointed at the third annual general Appointment and election of directors.
20 meeting of the shareholders of the Company; and in case of any vacancy occurring in the office of a provisional director, the Governor shall appoint some person to supply the vacancy.

7. The permanent number of directors shall be eight, of whom Permanent directory.
25 two shall be appointed by the Governor in Council, and six shall be elected by the shareholders of the company.

Every casual vacancy occurring in the office of a nominated director shall be supplied by a new nomination; and of an elective director shall be supplied by nomination or election as may, from time to time, be provided by the by-laws of the Company.

30 8. The President of the Court of Directors shall always be appointed by the Governor in Council from among the directors nominated by him. President.

9. At the third annual general meeting, and thereafter from time to time until the expiration of the period limited for granting a Appointment and election of directors.
35 subsidy to the Company by the Colonial Treasurer as hereinafter is mentioned, the six elective directors shall be elected by the shareholders in such manner as may be prescribed by by-laws, and the two nominated directors shall be appointed by the Governor in Council.

40 After the expiration of the period aforesaid, seven of the directors shall be elected by the shareholders of the Company, and one, who shall be President, shall be appointed by the Governor in Council.

10. No person shall be capable of being elected a director of the Company except he be registered as a shareholder of the Company Qualification of directors.
45 holding one hundred shares; but any person, whether or not a shareholder, may be nominated a director by the Governor in Council.

The foregoing provision as to the qualification of the elective directors shall not take effect until three months after the provisional directors hereinbefore mentioned have been in office.

50 Every director on his retirement may be reappointed or re-elected.

11. The capital of the Company shall consist of one million Capital of Company.
pounds, divided into one hundred thousand shares of ten pounds each.

4 *New Zealand International South Sea Trading Company.*

Allocation of shares.

12. The said one hundred thousand shares shall be disposed of in such manner as the directors shall appoint, provided that twenty thousand of the said shares shall be open for application in New Zealand, twenty thousand of the said shares shall be open for application in England, twenty thousand of the said shares shall be open for application in France, twenty thousand of the said shares shall be open for application in Germany, and twenty thousand of the said shares shall be open for application in the United States of America. If all the shares allocated to any of these places be not applied for within a time or times to be limited by the directors, they may allot all such shares as shall not be applied for as aforesaid to persons applying for shares of the company in any place or places. 5

Power to issue notes.

13. The Company shall have power to issue promissory notes, payable on demand, for any amount from one pound and upwards, and from time to time to reissue any such notes when and so often as the Company shall think fit; but such privilege shall cease in case of the suspension of specie payments on demand of any note issued by the Company. 15

All such notes shall bear date at the place where issued, and the same shall be payable in specie to bearer on demand at the place where the principal office of the Company is; and the total amount of the notes payable on demand issued and in circulation shall not exceed the amount of the uncalled capital of the Company. 20

By-laws.

14. It shall be lawful for the directors from time to time to make such by-laws as they shall think necessary or expedient for the efficient carrying on and the proper management of the Company, and such by-laws shall be deemed to be the by-laws of the Company, except in so far as they may be inconsistent with, or repugnant to, any of the provisions of this Act, or any of the laws in force in the countries where such by-laws require to be applied. A copy of such by-laws shall be sent to the Colonial Secretary, and the Governor in Council may disallow the same by-laws or any of them, or may agree with the Court of Directors of the Company upon a modification of any of them. The approval or disallowance by the Governor in Council, or the modification of any such by-laws, shall be duly notified in the *Gazette*; and no by-law shall come into operation until the approval thereof by the Governor in Council, either as first submitted by the Court of Directors or as subsequently modified, shall have been notified in the *Gazette*. 30 35

Such by-laws may contain, *inter alia*, provisions relating to:— 40

- (1.) The amount and division of the capital of the Company, the calls to be made in respect thereof, and the subdivision of shares;
 - (2.) The registration of shareholders of the Company;
 - (3.) The preparation and circulation among the members of annual accounts;
 - (4.) The credit of accounts;
 - (5.) The times and manner of holding general meetings of the shareholders and meetings of directors;
 - (6.) The powers and the remuneration of directors;
 - (7.) The conduct of elections of directors, the tenure of office of the nominated and elective directors respectively, and the order of their retirement from office;
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(8.) The disqualification of directors, the supplying of vacancies in the office of elected directors ;

(9.) The qualification of shareholders to vote at elections and general meetings respectively, and the number of votes they may exercise on each such occasion ;

(10.) The making and using of official seals of the Company ;

(11.) The winding-up, in case of need, of the Company's affairs ;

(12.) And, generally, such matters as are usual or proper to be provided for by the articles of association of a company similar to this Company.

15. If at any time before the expiration of twenty years after the Company shall have commenced business the profits of the Company for any one year shall not amount to a sum equal to five per cent. on its paid-up capital, the Colonial Treasurer, upon proof to his satisfaction that the Company is entitled thereto under the provisions of this Act, shall, out of the consolidated revenue of the said Colony of New Zealand, pay to the Company the sum required to make the profits equal to five per cent. on the paid-up capital as aforesaid : Provided always that there shall not be paid to the Company in any one year, by way of subsidy as aforesaid, a greater sum than ten thousand pounds, and it shall be obligatory on the directors to pay the whole of any such sum received by way of subsidy as aforesaid to the shareholders by way of dividend.

Government subsidy.

16. Any sum paid to the Company out of the Consolidated Fund, as in the last-preceding section mentioned, shall be repaid by the Company to the said Fund by the payment in each year of one half of all the profits made by the Company in such year in excess of seven per centum on the paid-up capital of the Company, until the whole advance is repaid.

Subsidy to be repaid out of surplus profits.

17. In the event of the Company being wound up, every present and past shareholder shall be liable to contribute to the assets of the Company to an amount sufficient for payment of the debts and liabilities of the Company, and the costs, charges, and expenses of the winding-up, and for the payment of such sums as may be required for the adjustment of the rights of the contributories among themselves, with the following qualifications, that is to say :—

Liability of shareholders.

(1.) No past member shall be liable to contribute to the assets of the Company if he has ceased to be a member for a period of one year or upwards prior to the commencement of the winding-up ;

(2.) No past member shall be liable to contribute in respect of any debt or liability of the Company contracted after the time at which he ceased to be a member ;

(3.) No past member shall be liable to contribute to the assets of the Company unless it appears to a Court of justice having jurisdiction in that behalf that the existing members are unable to satisfy the contributions required to be made by them ;

(4.) No contribution shall be required from any member exceeding the amount, if any, unpaid on the shares in respect of which he is liable as a past or present member.

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Transfer of shares.

18. The shares or other interest of any member in the Company shall be personal estate, capable of being transferred in the manner provided by the by-laws of the Company, and shall not be of the nature of real estate.

Head office.

19. The head office of the Company shall be in New Zealand, at such place as the directors shall from time to time determine. 5

By Authority: GEORGE DIBSBURY, Government Printer, Wellington.—1884.