

2. By virtue of the terms of issue thereof the holders of the said Preference shares are entitled to receive out of the profits of the Company available for dividend before any dividends are paid to the holders of any other shares in the Company a fixed cumulative preferential dividend at the rate of Six Dollars (\$6.00) per centum per annum on "A" Preference shares and Five Dollars Fifty Cents (\$5.50) per centum per annum on "B" Preference shares but to no further share in the profits of the Company and are also entitled on a winding up of the Company to rank as regards return of capital and as to dividend in priority to the other shares in the capital of the Company but are not entitled to participate further in the assets of the Company. By the combined provisions of Articles 88 to 90 inclusive of the Articles of Association of the Company the holders of the said Preference shares are not entitled to vote at any meeting of the Company except:

- (i) When the dividend whether declared or not on such Preference shares is in arrear for more than 6 months after the close of the Company's financial year,
- (ii) At any meeting convened for the purpose of sanctioning the reduction of capital, or of going into liquidation or of sanctioning a sale of the undertaking of the Company.

3. The dividends on the said Preference shares have been duly declared and paid half-yearly for each financial year of the Company since their issue up to and including the year ended 30 June 1977 and an interim payment of 3% on the 6% "A" Preference shares and 2½% on the 5½% "B" Preference shares in respect of the year ending 31st July 1978 was paid in April 1978.

B. THE SCHEME OF ARRANGEMENT

1. *Cancellation of Preference Shares*—Each of the existing 10,000 6% "A" Preference shares of \$1 each and each of the 90,000 5½% "B" Preference shares of \$1 each all of which have been issued and are fully paid up will be cancelled. Consequently the nominal capital of the Company will be reduced by \$100,000.

2. *Reduction of Capital*—The sum of \$100,000 being the share capital paid up on the issued 6% "A" Preference shares and the 5½% "B" Preference shares thus cancelled will be carried to the credit of an account in the books of the Company to be called "Preference Share Redemption Account."

3. *Entitlement to Ordinary Shares*—Each holder of the issued 6% "A" Preference shares and each holder of the issued 5½% "B" Preference shares at the time of cancellation will be allotted and issued Ordinary shares of \$1 each fully paid up in the capital of the Company in the ratio of 1 Ordinary share for each 2 Preference shares of whichever class held. In the case of fractions the Ordinary shares so to be allotted shall be calculated to the next higher number.

4. *Such Ordinary Shares to be Issued as Fully Paid*—The sum of \$50,000 or such other sum as shall equal the nominal amount of the Ordinary shares to be allotted to the holders of cancelled Preference shares shall be withdrawn from the Preference Share Redemption Account and applied in paying up in full such Ordinary shares. The balance of the Preference Share Redemption Account shall remain in such account as if it were a share premium account established under Section 64 of the Companies Act 1955, and shall be paid out only in the circumstances set out in the said Section 64, and shall be held subject to the conditions therein set out.

5. Dividends—

- (a) The holders of the 6% "A" Preference shares and the holders of the 5½% "B" Preference shares cancelled as aforesaid shall remain entitled to the final payment of dividend thereon for the year ending 31st July 1978.
- (b) The new Ordinary shares to be issued as aforesaid shall in all respects rank *pari passu* with the existing Ordinary shares of the Company except that they will not participate in any final dividend to be declared and paid on Ordinary shares in respect of the financial year of the Company ending on 31 July 1978 but they will participate in all dividends and distributions in lieu of dividends declared or made in respect of Ordinary shares thereafter in lieu and in full satisfaction of all further preferential dividends that would otherwise have been payable upon the Preference shares to be cancelled pursuant to this arrangement.

6. *Replacement of Reduced Capital*—The authorised capital of the Company having been reduced by \$100,000 will be increased by \$100,000 by the creation of a further 100,000 Ordinary shares of \$1 each.

7. *Effective Date of Scheme*—Subject to the separate approval of each class of shareholders and of the Company in General Meeting and to the sanction of the Supreme Court the Scheme of Arrangement will come into force with effect from the date it is sanctioned by the Supreme Court and registered with the Registrar of Companies or the 13th day of September 1978 whichever is the later. The Directors of the Company may assent to any modification of the Scheme or to any conditions which the Court may think fit to approve or impose.

4312

IN THE MATTER of the Companies Act 1955, and IN THE MATTER of SKYLINE ENTERPRISES LIMITED, a duly incorporated company having its registered office at Queenstown:

NOTICE OF REGISTRATION OF ORDER

NOTICE is hereby given that the order of the Supreme Court of New Zealand, dated the 14th day of August 1978, confirming the special resolution passed by the company on the 5th day of June 1978 reducing the company's share premium account was registered by the Registrar of Companies, at Invercargill, on the 24th day of August 1978.

The said resolution passed by the company on the 5th day of June 1978 was in the following words:

- (a) That subject to the confirmation of the Supreme Court that the sum of sixty-six thousand two hundred dollars (\$66,200-00), being the amount standing to the credit of the share premium account in the books of account of the company as at the 31st day of March 1977, may be distributed to the holders from time to time of the ordinary shares in the capital of the company.
- (b) That the distribution of the amount mentioned above may be effected at such intervals and by a series of payments, such amounts (as the directors may from time to time determine) to the holders from time to time of the ordinary shares in the capital of the company divided rateably in proportion to the amounts paid up of ordinary shares held by them.
- (c) That prior to making any such distribution the directors shall transfer from the revenue reserves of the company to a fund to be designated "Capital Replacement Fund" an amount equal to the amount to be distributed, such fund not to be available for the payment of dividend nor without the approval of the Supreme Court for distribution to shareholders but may be applied in paying up unissued shares of the company as fully paid bonus shares.

The order of the Court was as follows:

1. That the special resolution passed by the company on the 5th day of June 1978, reducing the company's share premium account, be confirmed subject to the following conditions:

- (a) Parts (b) and (c) of the resolution may not be varied without prior approval of the Court.
- (b) So long as any part of the existing share premium account now amounting to ninety-two thousand nine hundred and nineteen dollars (\$92,919-00) is undistributed the accounts of the company shall be noted so as to show:

1. The existence of the resolution of the 5th of June 1978,

2. What part of the account remains undistributed but still subject to the resolution.

2. A sealed copy of the order be registered with the Registrar of Companies.

3. Notice of registration of the order be published in the *New Zealand Gazette*.

4. No minute relating to the distribution of the share premium account be produced to the Registrar of Companies pursuant to section 78 (1) of the Companies Act 1955, or be registered under section 78 (2) of the Act.

Dated this 19th day of September 1978.

Skyline Enterprises Limited by its solicitors and duly authorised agents Messrs Bodkin Sunderland & Depree:

Per: P. L. HALL.

4283

WELLINGTON REGIONAL WATER BOARD

NOTICE is hereby given, pursuant to section 43 of the Wellington Regional Water Board Act 1972, that the following lands are hereby set aside for the respective purpose hereunder shown: