

COMPANIES.

13° GEO. V., No. XIII.

No. 31 of 1922.

AN ACT to amend the Companies Act, 1893.

[Assented to 13th December, 1922.]

BE it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of Western Australia, in this present Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the *Companies Act Amendment Act, 1922*, and shall be read as one with the Companies Act, 1893. Short title

2. Notwithstanding any provision in the memorandum of association of any company for payment amongst shareholders of a portion of the profits of the business of the company *pro rata* to the business done by each shareholder with the company, any such company may, in lieu of payment to its shareholders on a cash basis, issue to them bonus debentures or bonus shares for the amount of the profits any shareholder is entitled to receive; and the issue of any bonus debenture or bonus share to any shareholder for any such amount before the passing of this Act is hereby declared valid and binding on any company that may have issued the same, and on any shareholder of such company who may have received the same. Bonus debentures and shares.

Provided that such bonus, debentures, or bonus shares shall not or do not carry any liability for further payments or contributions on the part of such shareholders.

Provided also that no debentures or shares shall be issued under this section in excess of the portion of profits available for the time being for distribution as aforesaid, and no such bonus shares shall be issued in excess of the authorised capital of the company for the time being.

Provided also that any shareholder who has before the passing of this Act made application in writing for dividends in cash instead of bonus shares, shall receive the amount of such dividend due to such shareholder in cash.