

SCHEDULE II.

To the _____ Company.
 I (pledgee) of (address) do hereby give
 you notice that (pledgor) of (address) has this day
 pledged with me the certificates of shares registered in
 his name in the books of the Company to secure the repayment to me of
 the sum of £ _____ with interest thereon at the rate of _____ per
 centum per annum from the _____ day of _____ .

 Signed _____

Dated _____

COMPANIES.

18 OF 1922.⁽¹⁾

TO PROVIDE FOR THE FORMATION OF COMPANIES WITH LIMITED
 LIABILITY.

MALCOLM STEVENSON.]

[March 31, 1922.]

1. This Law may be cited as the Companies (Limited Liability) Short title
 Law, 1922.

2. In this Law, unless the context otherwise requires, the follow- Interpretation.
 ing expressions have the meanings hereby assigned to them (that is
 to say):—

“Company” means a company formed and registered under
 this Law;

“Articles” means the articles of association of a company, as
 originally framed or as altered by special resolution, including,
 so far as they apply to the company, the regulations contained
 in Table A;

“Memorandum” means the memorandum of association of a
 company, as originally framed or as altered in pursuance of the
 provisions of this Law;

“Document” includes summons, notice, order, and other legal
 process, and registers;

“Share” means share in the share capital of the company;

“Books and papers” and “books or papers” include accounts,
 deeds, writings, and documents;

“The Registrar of Companies,” or, when used in relation to
 registration of companies, “the registrar,” means the registrar
 or other officer performing under this Law the duty of registra-
 tion of companies;

(1) For contents see Index p. 994.

“ The Court ” used in relation to a company means the District Court of the district in which the registered office of the company is situate;

“ General rules ” means general rules made under this Law and includes forms;

“ Prescribed ” means, prescribed by general rules made by the High Commissioner in Council;

“ Director ” includes any person occupying the position of director by whatever name called;

“ Prospectus ” means any prospectus, notice, circular, advertisement, or other invitation, offering to the public for subscription or purchase any shares of a company.

Formation
of com-
panies.

3.—(1.) All companies with limited liability formed after the date of the coming into operation of this Law⁽¹⁾ shall be formed and registered under this Law and not otherwise.

Registering
of existing
companies
under this
Law.

(2.) Any company with limited liability formed in Cyprus before the date of the coming into operation of this Law may be formed and registered under this Law upon complying with the provisions of this Law as to registration. The fees on registration under this Law shall not be charged in respect of the registration of such reconstituted company.

Insurance
business not
allowed.

4. No company may be incorporated under this Law for the purpose of carrying on the business of assurance either with or without any other business.

CONSTITUTION AND INCORPORATION.

Memorandum of Association.

Mode of
forming
company.

5. Any seven or more persons (or, where the company to be formed will be a private company within the meaning of this Law, any two or more persons) associated for any lawful purpose may, by subscribing their names to a memorandum of association and otherwise complying with the requirements of this Law in respect of registration, form a company, with limited liability (that is to say), a company having the liability of its members limited by the memorandum to the amount, if any, unpaid on the shares respectively held by them.

Memo-
randum of
company.

6.—(1.) The memorandum must state:—

(i.) The name of the company, with “ Limited ” as the last word in its name;

⁽¹⁾ 1st of July, 1922, see s. 154.

- (ii.) The address in Cyprus in which the registered office of the company is to be situate;
- (iii.) The objects of the company;
- (iv.) That the liability of the members is limited;
- (v.) The amount of share capital with which the company proposes to be registered, and the division thereof into shares of a fixed amount.

(2.) No subscriber of the memorandum may take less than one share.

(3.) Each subscriber must write opposite to his name the number of shares he takes.

(4.) A petition shall be made to the Court for the approval of the memorandum and the Court, if it shall think fit, may either approve the same or approve it subject to such amendment as the Court may prescribe.

7. The memorandum must be signed by each subscriber in the presence of at least one witness who must attest the signature.

Signature
of memo-
randum.

8. A company may not alter the conditions contained in its memorandum except in the cases and in the mode and to the extent for which express provision is made in this Law.

Restriction
on alteration.

9.—(1.) A company may not be registered by a name identical with that by which a company in existence is already registered, or so nearly resembling that name as to be calculated to deceive, except where the company in existence is in the course of being dissolved and signifies its consent in such manner as the Registrar requires.

Name of
company
and change
of name.

(2.) If a company, through inadvertence or otherwise, is, without such consent as aforesaid, registered by a name identical with that by which a company in existence is previously registered, or so nearly resembling it as to be calculated to deceive, the first-mentioned company may, with the sanction of the Registrar, change its name.

(3.) Any company may, by special resolution and with the approval of the High Commissioner signified in writing, change its name.

(4.) Where a company changes its name, the Registrar shall enter the new name on the register in place of the former name, and shall issue a certificate of incorporation altered to meet the circumstances of the case.

(5.) The change of name shall not affect any rights or obligations of the company, or render defective any legal proceedings by or

against the company, and any legal proceedings that might have been continued or commenced against it by its former name may be continued or commenced against it by its new name.

Alteration
of objects of
company.

10.—(1.) Subject to the provisions of this section a company may, by special resolution, alter the provisions of its memorandum with respect to the objects of the company, subject to this being confirmed on petition by the Court.

(2.) Before confirming the alteration the Court must be satisfied—

- (a.) that sufficient notice has been given to any persons or class of persons whose interests will, in the opinion of the Court, be affected by the alteration; and
- (b.) that, with respect to every creditor who in the opinion of the Court is entitled to object, and who signifies his objection in manner directed by the Court, either his consent to the alteration has been obtained or his debt or claim has been discharged or has determined, or has been secured to the satisfaction of the Court:

Provided that the Court may, in the case of any person or class, for special reasons, dispense with the notice required by this section.

(3.) The Court may make an order confirming the alteration either wholly or in part, and on such terms and conditions as it thinks fit, and may make such order as to costs as it thinks proper.

(4.) An office copy of the order confirming the alteration, together with a printed copy of the memorandum as altered, shall, within fifteen days from the date of the order, be delivered by the company to the Registrar of Companies, and he shall register the same, and shall certify the registration under his hand, and the certificate shall be conclusive evidence that all the requirements of this Law with respect to the alteration and the confirmation thereof have been complied with, and thenceforth the memorandum so altered shall be the memorandum of the company.

The Court may by order at any time extend the time for the delivery of documents to the Registrar under this section for such period as the Court may think proper.

(5.) If a company makes default in delivering to the Registrar of Companies any document required by this section to be delivered to him, the company shall be liable to a fine not exceeding two pounds for every day during which it is in default.

Registration
of articles.

11.—(1.) The High Commissioner in Council shall make rules providing a general form of articles of association hereinafter referred to as "Table A."

(2.) Subject to the approval of the Court, there shall be registered with the memorandum articles of association signed by the subscribers to the memorandum and prescribing regulations for the company.

(3.) Articles of association may adopt, either specifically or by reference, all or any of the regulations contained in Table A.

(4.) A petition shall be made to the Court for approval of the articles of association, and the Court, if it shall think fit, may either approve the same or approve them subject to such amendments as the Court may prescribe.

12. Articles must—

- (a.) be printed or type-written;
- (b.) be divided into paragraphs numbered consecutively;
- (c.) be signed by each subscriber of the memorandum of association in the presence of at least one witness who must attest the signature.

Form and signature of articles.

13. Subject to the provisions of this Law and to the conditions contained in its memorandum, a company may by special resolution alter or add to its articles subject to this being confirmed on petition by the Court; and any alteration or addition so made shall be as valid as if originally contained in the articles, and be subject to alteration in like manner.

Alteration of articles by special resolution.

General Provisions.

14.—(1.) The memorandum and articles shall, when registered, bind the company and the members thereof to the same extent as if they respectively had been signed and sealed by each member, and contained covenants on the part of each member, his heirs, executors, and administrators, to observe all the provisions of the memorandum and of the articles, subject to the provisions of this Law.

Effect of memorandum and articles.

(2.) All money payable by any member to the company under the memorandum or articles shall be a debt due from him to the company.

15. The memorandum and the articles shall be delivered to the Registrar of Companies, and he shall retain and register them.

Registration of memorandum and articles.

16.—(1.) On the registration of the memorandum of a company the Registrar shall certify under his hand that the company is incorporated, and that the company is limited.

Effect of registration.

(2.) From the date of incorporation mentioned in the certificate of incorporation, the subscribers of the memorandum together with such other persons as may from time to time become members of the company, shall be a body corporate by the name contained in