



Companies Clauses Consolidation (Scotland) Act 1845

1845 CHAPTER 17 8 and 9 Vict

Nonpayment of Calls

And with respect to the forfeiture of shares for nonpayment of calls, be it enacted as follows:

30 Forfeiture of shares for nonpayment of calls.

If any shareholders fail to pay any call payable by him, together with the interest, if any, that shall have accrued thereon, the directors, at any time after the expiration of two months from the day appointed for payment of such call, may declare the share in respect of which such call was payable forfeited, and that whether the company have sued for the amount of such call or not.

31 Notice of forfeiture to be given before declaration thereof.

Before declaring any share forfeited the directors shall cause notice of such intention to be left at or transmitted by the post to the usual or last place of abode of the person appearing by the register of shareholders to be the proprietor of such share; and if the holder of any such share be abroad, or if his usual or last place of abode be not known to the directors, by reason of its being imperfectly described in the shareholders address book, or otherwise, or if the interest in any such share shall be known by the directors to have become transmitted otherwise than by transfer, as herein-before mentioned, but a declaration of such transmission shall not have been registered as aforesaid, and so the address of the parties to whom the same may have been transmitted or may for the time being belong shall not be known to the directors, the directors shall give public notice of such intention in the Edinburgh Gazette, and also in some newspaper as after mentioned; and the several notices aforesaid shall be given twenty-one days at least before the directors shall make such declaration of forfeiture.

Status: Point in time view as at 01/02/1991.

Changes to legislation: There are currently no known outstanding effects for the Companies Clauses Consolidation (Scotland) Act 1845, Cross Heading: Nonpayment of Calls. (See end of Document for details)

32 Forfeiture to be confirmed by a general meeting.

The said declaration of forfeiture shall not take effect, so as to authorize the sale or other disposition of any share, until such declaration have been confirmed at some general meeting of the company, to be held after the expiration of two months at the least from the day on which such notice of intention to make such declaration of forfeiture shall have been given; and it shall be lawful for the company to confirm such forfeiture at any such meeting, and by an order at such meeting, or at any subsequent general meeting, to direct the share so forfeited to be sold or otherwise disposed of.

33 Sale of forfeited shares.

After such confirmation as aforesaid it shall be lawful for the directors to sell the forfeited share, either by public auction or private contract, and, if there be more than one such forfeited share, then either separately or together, as to them shall seem fit; and any shareholder may purchase any forfeited share so sold.

34 Evidence as to forfeiture of shares.

A declaration in writing, by some credible person not interested in the matter, made before any sheriff or justice, that the call in respect of a share was made, and notice thereof given, and that default in payment of the call was made, and that the forfeiture of the share was declared and confirmed in manner herein-before required, shall be sufficient evidence of the facts therein stated; and such declaration, and the receipt of the treasurer of the company for the price of such share, shall constitute a good title to such share; and a certificate of proprietorship shall be delivered to such purchaser, and thereupon he shall be deemed the holder of such share, discharged from all calls due prior to such purchase; and he shall not be bound to see to the application of the purchase money, nor shall his title to such share be affected by any irregularity in the proceedings in reference to such sale.

35 No more shares to be sold than sufficient for payment of calls.

The company shall not sell or transfer more of the shares of any such defaulter than will be sufficient, as nearly as can be ascertained at the time of such sale, to pay the arrears then due from such defaulter on account of any calls, together with interest, and the expenses attending such sale and declaration of forfeiture; and if the money produced by the sale of any such forfeited shares be more than sufficient to pay all arrears of calls and interest thereon due at the time of such sale, and the expenses attending the declaration of forfeiture and sale thereof, the surplus shall, on demand, be paid to the defaulter.

36 On payment of calls before sale the forfeited shares to revert.

If payment of such arrears of calls and interest and expences be made before any share so forfeited and vested in the company shall have been sold, such share shall revert to the party to whom the same belonged before such forfeiture, in such manner as if such calls had been duly paid.

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37 Limiting responsibility of shareholders.

If the said company shall be incorporated, no person or corporation, nor the estate, real or personal, of any such person or corporation, who is or shall be a proprietor of the said incorporated company, shall be liable for or charged with the payment or any debt or demand whatsoever due or to become due by or from the said company beyond the extent of his or their share in the capital of the said company.

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