

- (b) the total par value of voting shares, or total number of voting shares, of the company included in the transfer and any voting shares acquired by the transferee after the date mentioned in paragraph (a) and still held by him as shown by the register of the company is not more than the value or number specified for the purpose in the letters patent or supplementary letters patent by which the company became a constrained-share company,

the directors are entitled to assume that the transferee is not and will not be associated with any member of the constrained-class and, unless the knowledge of the directors is to the contrary, that he is not a member of the constrained-class.

7. (1) Notwithstanding section 2 or 3 of these provisions, where it is necessary for a constrained-share company to reduce the total percentage of its voting shares or of any class of its voting shares, held by or for members of the constrained-class after the prescribed day for either of the purposes described in subsection (2) of section 38A, if at the commencement of the prescribed day the number of voting shares of the constrained-share company exceeded the prescribed percentage for the company, the directors, so long as the total number of voting shares held by or for all members of the constrained class exceeds the gross prescribed percentage,

- (a) shall refuse to allow a transfer of a voting share of the company to a member of the constrained-class to be made or recorded in the register of the company; and
- (b) shall not accept a subscription for a voting share of the company by a member of the constrained-class.

(2) Where at the commencement of the prescribed day the number of voting shares of the company held by or for a member of the constrained-class exceeded the net prescribed percentage for the company, the voting rights pertaining to the shares held by or for that member may, notwithstanding section 5 of these provisions, be exercised, in person or by proxy, so long as the percentage of such shares held by or for such member does not exceed either the percentage of such shares held by or for him at the commencement of the prescribed day or the smallest percentage of such shares held by or for him on any subsequent day; but this subsection shall not be construed to prohibit the exercise of voting rights in circumstances where section 5 of these provisions does not apply."

Renumber clauses 28 to 34 both inclusive as clauses 30 to 36 respectively.

Strike out line 31 on page 79 and substitute the following therefor:

"declared in the Special Act or in any letters patent or supplementary letters patent issued under section 73C, and is vested with all"