

An Act to facilitate the winding up of the affairs of Commercial Companies unable to meet their pecuniary engagements.

WHEREAS it is expedient for the benefit of the creditors, and also of the members of such Commercial Companies as are hereinafter mentioned, to give them a speedy and inexpensive remedy for the winding up of the affairs of such Companies when unable to meet their pecuniary engagements; Therefore Her Majesty, &c., enacts as follows :

Preamble.

I. This Act shall apply to all partnerships, associations and companies whereof the members are not fewer than five in number, whether limited or general, whether incorporated or unincorporated, and whether formed or subsisting before or after the passing of this Act, other than and except Railway Companies incorporated by Act of Parliament, to which last mentioned companies this Act shall not apply.

To what Companies, &c., the Act shall apply.

II. In the event of any company being wound up under this Act, the members thereof shall be liable to contribute to the assets of the company to an amount sufficient to pay the debts of the company, and all the costs, charges and expenses of winding up the same: Provided that if any company is limited, and has complied with the requirements of the Act limiting the liability of its members, no contribution shall be required from any shareholder thereof exceeding the amount, if any, unpaid on the shares held by him.

Liability of Members.

Proviso.

III. A company may be wound up under this Act by the Court of Chancery of Upper Canada under the following circumstances, that is to say :

Under what circumstances a Company may be wound up.

1. Whenever the company in general meeting has passed a special resolution requiring the company to be wound up by the Court ;

2. Whenever the company does not commence its business within a year from its incorporation or formation, or suspends its business for the space of a whole year, or shall have become dissolved by effluxion of time ;

3. Whenever the company is unable to pay its debts ;

4. Whenever one half of the capital of the company has been lost or become unavailable.