[Part] VI. — INCREASES AND REDUCTIONS OF CAPITAL.

1355. — A registered company can by special resolution increase its capital by issuing new shares.

1356. — No new shares of a registered company can be allotted as fully or partly paid up otherwise than in money, except in execution of a special resolution.

1357. — Unless decided otherwise by a general meeting, all new shares must be offered to the shareholders in proportion to the shares held by them.

Such offer must be made by notice specifying the number of shares to which the shareholder is entitled. and fixing a date after which the offer, if not accepted. shall be deemed to be declined.

After such date or on the receipt of an intimation from the shareholder that he declines to accept the shares offered, the director may offer such shares for subscription to third persons.

1358. — Every prospectus, notice, advertisement or other invitation to third persons to subscribe for new shares must be dated and signed by the directors and registered before its publication.

1359. — Every such prospectus, notice, advertisement or invitation must contain the following particulars :

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1) The names, occupations and addressess of the directors and auditors.

2) The contents of the memorandum of association.

3) The registered capital of the company, distinguishing ordinary shares and preference shares, and shares paid up otherwise than in money.

4) The total amount paid up in money on the capital.

5) A summary of the last balance-sheet showing the assets and liabilities of the company.

6) The number and amount of the new shares, and the object for which they are issued.

7) The amount payable on application on each share ; such amount cannot be less than fifteen per cent of the nominal amount of the shares.

8) If the whole or part of the new shares are preference shares, the preferential rights accruing to such shares.

9) The number and amount, if any, of new shares to be allotted as fully or partly paid up otherwise than in money, the extent to which they shall be considered as paid up and a description of the services or property in return for which such shares are proposed to be allotted.

1360. — A limited company can, by special resolution, reduce its capital either by lowering the amount of each share or by reducing the number of shares.

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