CYPRIAN MINING COMPANY.

14 OF 1917.(1)

TO MAKE PROVISION WITH REGARD TO THE DISPOSAL OF THE CYPRIAN MINING COMPANY, LIMITED.

JOHN E. CLAUSON.] [*July* 7, 1917.

Short title. **1.** This Law may be cited as the Cyprian Mining Company, Limited (Property Disposal) Law, 1917.

Definitions. **2.** "The Company" means the Cyprian Mining Company, Limited;

"Assets of the Company" includes the business and all property movable and immovable and all other rights and assets whatsoever of the Company;

"The purchase price" means the consideration in cash shares or otherwise paid in respect of any purchase of the assets of the Company;

"Receiver" means the receiver or receiver and manager appointed under this Law;

"Corporation under foreign control" includes:—

(*a*.) A corporation of which any of the directors, or persons occupying the position of directors by whatever name called, is a foreigner;

(*b*.) A corporation twenty-five per cent. or more of the issued capital or voting rights of which are held by, or directly or indirectly for or at the disposal of, foreigners or foreign corporations;

(*c*.) A corporation which is by any other means, whether of a like or a different character, in fact under the control, directly or indirectly, of foreigners, foreign corporations, or corporations under foreign control;

(*d*.) A corporation the executive whereof is a corporation within (*a*), (*b*) or (*c*), or a foreign corporation;

"Foreigner" means a person other than a British subject;

"British subject" includes a person who shall have become or shall become a British subject under or by virtue of the Cyprus Annexation Orders in Council, 1914 and 1917.

"Enemy" means any person who is or is treated as an enemy under any Act of Parliament Order in or of Council or Royal Proclamation for the time being in force;

"Enemy subject" means a subject of a State for the time being at war with His Majesty.

(1) As amended by 5 of 1919 which, by s. 10, came into force "as from the date of" 14 of 1917.

High Commissioner may prohibit business of Company or order sale thereof.

3.—(1). The High Commissioner may from time to time make, vary or revoke an order or orders:—

(*a.*) Prohibiting the Company from carrying on the business, except for the purposes and subject to the conditions, if any, specified in the order; or

(*b.*) Requiring the Company to be dissolved and its assets to be sold.

(2.) Where the High Commissioner makes any such order he may at the same time or at any time subsequently appoint a Receiver to control and supervise the carrying out of the order and, if the case requires, to conduct the dissolution of the Company and the sale of its assets. Every such order shall be published in the *Cyprus Gazette* and no final sale of the assets of the Company shall take place before the expiration of two months from the date of the publication of such order. And in any case where it appears expedient to the High Commissioner, he may, as occasion requires, confer on the Receiver such powers (including power in the name of the Company, or in his own name to sue, and by deed or otherwise, to convey or transfer any of the assets of the Company, and power to apply to the Supreme Court or a judge thereof to determine any question arising in the carrying out of the order), and give the Receiver such directions as the High Commissioner thinks necessary or convenient for the purpose of giving full effect to the order, and the remuneration of and costs, charges, and expenses incurred by the Receiver and any remuneration payable and costs, charges and expenses incurred in connection with the supervision or inspection of the Company, to such amount as may be approved by the High Commissioner, shall be defrayed out of the assets of the Company, and shall be charged on such assets in priority to any other charges thereon.

(3.) All the assets of the Company shall vest in the Receiver when appointed and without prejudice to the general provisions hereof the immovable properties specified in the second column of the First Schedule hereto shall subject to the provisions of section 11 vest in the Receiver for the respective estates and interests specified in the third column of the said Schedule.

(4.) The Receiver may sell the assets of the Company subject to or freed and discharged from any right or liability of the Company; and the receipt of the Receiver for the purchase price in respect of such sale shall be a good discharge to the purchaser and shall give him a good title in accordance with the terms of the contract of sale.

(5.) If the Receiver shall not be able to adjust or dispose of any claim against the Company the High Commissioner may direct him to sell the assets of the Company, freed and discharged from such claim and may direct the manner in which compensation (if any) shall be ascertained or given to the applicant.

(6.) Any agreement for the sale of the assets of the Company shall receive the approval of the High Commissioner.

(7.) The distribution of the purchase price resulting from the realization of any assets of the Company, whether those assets are realized as the result of an order requiring the Company to be dissolved and its assets sold or as the result of an order prohibiting or limiting the carrying on of the Company, shall be subject to the same rules as to preferential payments as are applicable to the distribution of the assets of a company which has been declared in a state of bankruptcy according to the Commercial Code, and those assets shall, so far as they are available for discharging unsecured debts, be applied in discharging such debts due to creditors who are not enemies in priority to the unsecured debts due to creditors who are enemies; and any balance, after providing for the discharge of liabilities, shall be distributed amongst the persons interested therein in such manner as the High Commissioner may direct:

Provided that any part of the purchase price which had a state of war not existed would have been payable or transferable under this section to enemies, whether as creditors or otherwise, shall be paid or transferred to the Public Custodian under the Public Custodian of Enemy Property Proclamation, No. 2, 1916, to be dealt with by him in like manner as money paid to him under that Proclamation; and provided that the Public Custodian may sell such part of the purchase price as shall not consist of cash and deal with the proceeds in manner above referred to.

(8.) The Receiver shall cause an estimate to be prepared of the value of the assets of the Company in enemy territory and also of the liabilities of the Company to creditors, whether secured or unsecured, in enemy territory, and of the claims of persons in enemy territory to participate in the distribution of any balance available for distribution, and such liabilities and claims shall, for the purposes of this section, be deemed to have been satisfied out of such assets so far as they are capable of bearing them, and the balance (if any), of such liabilities and claims shall alone rank for payment out of the other assets of the Company. A certificate by the Receiver as to the amount of such assets, liabilities, claims, and balance shall be conclusive for the purpose of determining the sums available for discharging the other liabilities and for distribution amongst other persons claiming to be interested in the business:

Provided that nothing in this provision shall affect the rights of creditors of and other persons interested in the Company against the assets of the Company in enemy territory.

(9.) The High Commissioner may, on application for the purpose being made by a Receiver appointed under this section, after considering the application and any objection which may be made by any person who appears to him to be interested, grant him a release, and an order of the High Commissioner releasing the Receiver shall discharge him from all liability in respect of any act done or default made by him in the exercise and performance of his powers and duties as Receiver, but any such order may be revoked on proof that it was obtained by fraud or by suppression or concealment of any material fact.

(10.) Where an order under this section has been made as respects the business carried on by the Company, no bankruptcy petition or petition for the winding up of the Company, shall be presented, or resolution for the winding up of the Company passed, or steps for the enforcement of the rights of any creditors of the Company taken, without the consent of the High Commissioner.

(11.) Where a person, being a subject of His Majesty or of any State allied to His Majesty, is detained in enemy territory against his will, that person for the purposes of this section shall not be treated as an enemy or as being in enemy territory.

(12.) An order made under this section shall continue in force notwithstanding the termination of the present war until determined by order of the High Commissioner.

Validity of vesting orders.

4. No order under this Law or any proceedings thereunder or in consequence thereof shall be invalidated or affected by reason only of any person having, prior to the date of the order, died or ceased to be a foreigner or subsequently dying or ceasing to be a foreigner, or by reason of its being subsequently ascertained that he was not a foreigner, as the case may be.

Receiver not to sell property to foreigner or a corporation under foreign control.

5. The Receiver shall not sell any immovable property to a foreigner or corporation under foreign control or to any person acting for a foreigner or corporation under foreign control and further shall not complete any sale of immovable property unless and until the purchaser being an individual or corporation shall have made a statutory declaration in the appropriate form set out in the Second Schedule. Such declaration in the case of a corporation being a purchaser shall be made by some official of the corporation duly authorized thereto by the corporation.