

## PART XXIII

## REPEALS AND AMENDMENTS

Repeals.

**533.** (1) The Companies Act, No. 17 of 1982 is hereby repealed.

(2) The Companies (Special Provisions) Law, No. 19 of 1974 and the Foreign Companies (Special Provisions) Law, No. 9 of 1975 are hereby repealed.

Amendment of  
the First  
Schedule of Act,  
No. 10 of 1996.

**534.** The First Schedule to the High Court of the Provinces (Special Provisions) Act, No. 10 of 1996 is hereby amended by the substitution for item (2) of that Schedule, of the following item :—

“(2) All application and proceedings under the Companies Act, No. 07 of 2007”.

## FIRST SCHEDULE

[Section 14]

## MODEL ARTICLES

## A. SHARES

1. *Issue of shares*

(1) Subject to articles 1 (2) and 1 (3), of these articles, the board may issue such shares to such persons as it thinks fit in accordance with section 51 of this Act. Where the shares confer rights other than those specified in subsection (2) of section 49 of this Act, or impose any obligation on the holder, the board must approve terms of issue which set out the rights and obligations attached to the shares as required by subsection (2) of section 51.

(2) Before it issues shares, the board must decide the consideration for which the shares will be issued. The consideration must be fair and reasonable to the company and to all existing shareholders.

(3) Where the company issues shares which rank equally with or prior to existing shares, those shares must be offered to the holders of the existing shares in a manner which would, if accepted, maintain the relative voting and distribution rights of those shareholders. The offer must remain open for acceptance for a reasonable time.