

505. (1) Where any document by which shares in or debentures of a company incorporated outside Sri Lanka are offered for sale to the public would, where the company concerned had been a company within the meaning of this Act, have been deemed by virtue of the provisions of section 43 to be a prospectus issued by the company, that document shall be deemed to be for the purposes of this Part of this Act, a prospectus issued by the company.

Interpretation of provisions as to prospectuses.

(2) An offer of shares or debentures for subscription or sale to any person, whose ordinary business it is to buy or sell shares or debentures, whether as principal or agent, shall not be deemed to be an offer to the public for the purposes of this Part.

(3) In this Part, the expressions “prospectus”, “shares” and “debentures” shall have the same meanings as and when used in relation to a company incorporated under this Act.

PART XIX

ADVISORY COMMISSION

506. (1) For the purposes of advising the Minister on any matters in relation to the law relating to companies, the Minister may—

Appointment &c. of Advisory Commission.

(a) constitute a Commission (hereinafter referred to as the “Advisory Commission”) consisting of not less than five and not more than ten persons with suitable qualifications ; and

(b) appoint one of such persons to be Chairman of the said Advisory Commission.

(2) It shall be the duty of the Advisory Commission—

(a) to inquire into and report to the Minister on any matter or question relating to companies and the

law applicable to companies, which may be referred to it from time to time by the Minister ;

- (b) to review the law relating to companies from time to time and to make proposals to the Minister for the alteration, modification or addition to such law ;
- (c) in making the recommendations referred to in paragraph (a) or (b), to consult and take into consideration where the Advisory Commission deems necessary, the views of trade chambers, professional organisations, monetary institutions, governmental authorities and the general public.

(3) The Registrar shall be an *ex-officio* member of the Advisory Commission, and shall also function as its Convener and Secretary.

(4) Subject to the provisions of subsections (6), (7) and (8), the term of office of the members of the Advisory Commission shall be three years :

Provided that a member appointed in place of a member who resigns or is removed or otherwise vacates office, shall hold office for the unexpired part of the term of office of the member whom he succeeds.

(5) Any member of the Advisory Commission who vacates office by effluxion of time, shall be eligible for re-appointment.

(6) A member of the Advisory Commission may resign from office by letter to that effect addressed to the Minister.

(7) All members of the Advisory Commission shall hold office during good behaviour, and may be removed from office by the Minister.

(8) Where a member is temporarily unable to discharge the duties of his or her office on account of ill-health, absence from Sri Lanka or any other cause, the Minister may appoint some other person to act as a member in his or her place.

(9) The Advisory Commission may, with the approval of the Minister, appoint such officers and servants as it thinks fit to assist the Advisory Commission in carrying out its duties under this Part of this Act.

(10) The members of the Advisory Commission, its Secretary and other officers and servants may be paid such remuneration out of the Fund, as may be determined by the Minister.

PART XX

COMPANIES DISPUTES BOARD

507. (1) The Minister may constitute a board (in this Act referred to as the “Companies Disputes Board”) for the purposes of carrying out the functions conferred on such Board by the provisions of this Part of this Act.

Companies
Disputes Board.

(2) The Companies Disputes Board shall consist of not less than three and not more than five persons appointed by the Minister, with substantial experience in relation to the law relating to companies or the administration of companies.

(3) The Minister may appoint one of the members of the Companies Disputes Board to be the President of the Board.

(4) Subject to the provisions of subsections (6), (7) and (8), the term of office of the members of the Companies Disputes Board shall be five years :

Provided that a member appointed in place of a member who resigns or is removed or otherwise vacates office, shall hold office for the unexpired part of the term of office of the member whom he succeeds.