COMPANIES AND BUSINESS REGISTRATION ACT

A BILL

ENTITLED

The Companies and Business Registration Act, 2026

An Act to repeal and replace the Companies Act, 2009 and all amendments to the same, the Registration of Business Act, 2007, and the General Law (Business Start-Up) (Amendment) Act, 2007; to provide for the incorporation, registration, management, and winding-up of companies, limited liability partnerships, business names, and incorporated trustees; to define the role of the Corporate Affairs Directorate for the efficient administration of this Act; to enhance the ease of doing business, promote corporate governance and transparency; and to provide for other related or incidental matters in Sierra Leone.

[*Date of Commencement*]

ENACTED by the President and Members of Parliament in this present Parliament assembled

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	PART I – PRELIMINARY MATTERS

Interpretation	1. In this Act, unless the context otherwise requires– “Attorney-General” means the Attorney-General and Minister of Justice. “beneficial owner” means a natural person who ultimately owns or controls a company, limited liability partnership, or other registrable business entity, whether directly or indirectly, and includes a person who (a) holds, directly or indirectly, a prescribed percentage of the shares or voting rights in the entity; (b) exercises control through ownership, voting agreements, nominee arrangements, trusts, or other means; or (c) otherwise exercises significant influence or control over the management or affairs of the entity, and excludes a person acting solely as a nominee, intermediary, professional adviser, or agent for another person. “Board” means the National Investment Board established by the National Investment Board Act No 11 of 2022; “Court” means the High Court; “debenture” includes debenture stock, bonds and any other securities of a company, whether constituting a charge on the assets of the company or not; “director” means a person, by whatever name called, duly appointed by a company to direct and manage the business of the company, and includes a person held out by the company as a director; “Director of Corporate Affairs” means the Director of Corporate Affairs appointed under section 19 of the National Investment Board Act 2022, or any person for the time being acting in that capacity; “document” includes a summons, notice, order or other legal process, any register required to be kept under this Act, and any information recorded, generated, transmitted or stored in electronic or digital form, whether capable of being reproduced in

Purposive interpretation	2. The provisions of this law shall be interpreted in a manner that achieves its intended effect and remains consistent with the broader legal framework, including the Constitution of Sierra Leone.
Application of the Act	3. Except as otherwise provided, this Act applies to companies and businesses formed or operating in Sierra Leone before or after the commencement of the Act.
Territorial scope and extraterritoriality	4. (1) This Act applies to — (a) every company incorporated, continued or re-registered under this Act; (b) every other business entity required to be registered under this Act, including sole proprietorships, partnerships (general and limited), limited liability partnerships and any other profit-oriented business forms; (c) every foreign company carrying on business or maintaining a digital or physical presence in Sierra Leone; and (d) natural persons and unincorporated bodies to the extent expressly provided in this Act. (2) Each provision of this Act applies according to its tenor to — (a) natural persons, whether — (i) resident in Sierra Leone or not; and (ii) Sierra Leonean citizens or not; and (b) bodies corporate and unincorporated bodies, whether — (i) formed or carrying on business in Sierra Leone or not; or

	(ii) maintaining a digital or physical presence in Sierra Leone or not.

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Objects of the Act	5. The objects of this Act are to— (a) establish a modern, transparent, inclusive and efficient legal framework for the incorporation, registration, governance, operation and winding-up of companies and other business entities in Sierra Leone; (b) reduce administrative and regulatory barriers to business formation and formalisation, particularly for micro, small and medium enterprises and the informal sector; (c) promote good corporate governance, accountability and investor protection, including through mandatory transparency in ownership and management; (d) facilitate accessible, digital-first registration and compliance services through the Board and One-Stop Shop; (e) support sustainable economic development, entrepreneurship, job creation and inclusive growth by enabling a competitive and business-friendly environment; and (f) regulate companies and allied business entities in the public interest, having particular regard to the protection of members, creditors and other stakeholders
Guiding principles for MSME formalisation and proportional regulation	6. (1)A robust, vibrant private sector of the economy is beneficial for the people of Sierra Leone; and growth of the private sector is enhanced when supported by a modern legal and regulatory framework that incorporates international best practices to promote the ease of doing business for entrepreneurs and businesses of all sizes and pursuits; and (2)The Act should be interpreted in a way that encourages entrepreneurship, the formalisation of the private sector, enterprise efficiency, and flexibility and simplicity in the formation, operation, and maintenance of companies and businesses.

	PART II – BUSINESS REGISTRY AND ONE-STOP SHOP
Establishment of Unified Business Board	7. (1)There is hereby established a Unified Business Registry (in this Act referred to as "the Registry"). (2) The Registry shall be constituted by and operated through the Corporate Affairs Directorate of the National Investment Board established under section 23 of the National Investment Board Act, 2022, and references in this Act to the Registry shall, unless the context otherwise requires, be construed as references to the Corporate Affairs Directorate acting in the exercise of the functions conferred on the Registry by this Act. (3) Any act, decision, certificate, notice, or instrument issued, made, or given by the Corporate Affairs Directorate in the exercise of functions conferred by this Act shall be deemed to be an act, decision, certificate, notice, or instrument of the Registry for all purposes of this Act and of any other written law. (4) Any reference in any written law, document, agreement, or legal proceeding to— (a) the Corporate Affairs Commission established under the Companies Act, 2009 as amended; (b) the Administrator and Registrar-General under the Business Registration Act, 2007; or (c) any other body that, immediately before the commencement of this Act, exercised functions corresponding to those conferred on the Registry by this Act, shall, on and after the commencement of this Act, be construed as a reference to the Registry constituted by this section, unless the context otherwise requires or the Minister by statutory instrument otherwise provides.

Legal Status and Capacity	8. (1)The Registry shall have operational autonomy in the discharge of its statutory functions under this Act. (2)The Board shall have the capacity to: a) enter into contracts necessary for the performance of its functions; b) acquire, hold, and dispose of property, subject to applicable public financial management laws; c) sue and be sued in its official name; and d) perform all acts incidental to the exercise of its powers. (3) Any certificate, extract, copy or other document issued by the Registry may be authenticated by— (a) the signature of the Director of Corporate Affairs, Deputy Director of Corporate Affairs or any authorised officer; or (b) electronic signature or digital authentication in accordance with the Electronic Transactions Act 2019. (4) The Board shall not be required to affix any seal to any document for it to be validly authenticated. (5) A document authenticated under subsection (3) shall be received in evidence in all courts without further proof unless the contrary is shown

Institutional Independence	9. (1)In the exercise of its registration, regulatory, and enforcement functions, the Board shall act independently and shall not be subject to the direction or control of any person or authority, except as provided by law. (2)The Minister may issue general policy directives consistent with this Act, provided that such directives shall: a) be in writing and published in the Gazette; and b) not interfere with individual registration decisions, enforcement actions, or internal review processes. (3)Decisions relating to registration, compliance, and administrative penalties shall be based solely on statutory criteria and objective evidence.
Functions of the Board	10. (1)The Board shall be the sole central authority responsible for the incorporation, registration, and regulation of: (a) companies and limited liability partnerships; (b) business names and sole proprietorships; (c) incorporated trustees; and (d) cooperatives and other business forms integrated under this Act. (2)The Board shall: a) administer the registry and the One-Stop Shop for integrated business services; b) maintain a centralised electronic database and assign Unique Business Identifiers (UBI); c) record security interests and charges; and

	d) enforce compliance through inspections and administrative penalties.
One-Stop Shop Operations	11. (1)The Board shall operate a One-Stop Shop to streamline business formalisation and eliminate duplication across public authorities. (2)The One-Stop Shop shall coordinate the processing of tax identification, social security registration, and municipality license issuance. (3)No public authority shall require a business to submit information that has already been submitted to the Board through the One-Stop Shop, except where additional sector-specific data is legally mandated. (4) All public authorities shall cooperate with the Board, designate liaison officers, and ensure data sharing to enable the conduct of a comprehensive name search to and ensure the effective functioning of the One-Stop Shop.

Statutory Timelines and Deemed Approval	12. The Board shall process core services following successful submission of required documentation and payment of applicable fees within the following timelines: (a) Name Search/Reservation: Within 1 day if conducted in person and within 10 minutes conducted digitally. (b) Incorporation/Registration: Within 24 hours Any other processes/ service delivery as defined in the service charter of the Board (2) Failure by the Board to communicate a decision within the statutory timelines shall result in the application being deemed approved, unless the Board provides written reasons for the delay within said period.
Continuity and Transition of Legacy	13. (1)Every entity validly registered or reregistered under the Companies Act, 2009 as amended, the Registration of Business Act, 2007, or the General Law (Business Start-Up) (Amendment) Act, 2007 shall be deemed registered under this Act. (2) All registers, certificates, and records maintained by the Corporate Affairs Commission or the Office of the Administrator and Director of Corporate Affairs shall continue in full force and effect under the Board. (3) Any contract, security interest, or legal proceeding pending at the commencement of this Act shall remain valid and be transferred to the Board without prejudice to the rights of the parties.

Inspection and Enforcement	14. (1)The Board may, upon reasonable notice, inspect a registered entity's premises or records to ensure compliance. (2)Where a breach is identified, the Board may issue a Compliance Notice specifying corrective actions. (3)The Board may impose administrative penalties for non-compliance as provided for by the Administrative Processes/ Appeals statutory instrument. Such penalties shall be civil in nature and shall not constitute a criminal conviction.
Transition of pending applications and proceedings	15. (1)Any application, filing, or request pending at the commencement of this Act shall be determined in accordance with this Act. (2)Any administrative or judicial proceeding commenced under a repealed enactment may continue as if instituted under this Act.
Internal review of Board decisions	16. (1)Any person aggrieved by a decision of the Board may apply for internal review by the Directorate established for that purpose pursuant to section 19 of the National Investment Board Act 2022 within 14 days. (2)The Executive Director shall decide the review within 7 days, providing written reasons. (3)Appeals from the Directorate shall lie to the High Court within 30 days. (4) The Directorate of the Board established for the purpose of reviews shall not charge fees for internal reviews.
Appeals to the High Court	17. Appeals from decisions of the relevant Directorate of the Board shall lie to the High Court within 30 days.

Board inspection powers and compliance notices	18. (1)The Directorate of Corporate Affairs may, upon reasonable notice, inspect any registered entity's premises, books, or records to ensure compliance with this Act. (2)The Directorate of Corporate Affairs may issue compliance notices for breaches, specifying corrective actions and timelines. (3)Non-compliance with a notice shall constitute an offence, liable to a fine or other penalties as prescribed in the regulation for fees and charges. (4)Inspections shall be conducted in a manner that minimises disruption to business operations.
Administrative penalties and enforcement tools	19. (1)Where the Board is satisfied that a registered entity or its officer has contravened a provision of this Act, the Board may impose an administrative penalty in accordance with this section. (2)Administrative penalties shall be civil in nature and shall not constitute a criminal conviction unless expressly provided by this Act.
Fee authority and unified fee schedule	20. (1)The Minister shall, at least once every three years, review the Schedule of Fees contained in the Twelvth Schedule of this Act or prescribed under this section, after consultation with relevant stakeholders, including representatives of the business community, micro, small and medium enterprises, the Board and civil society organisations. (2) The review shall be based on the principles of cost recovery and proportionality to business size. (3) The Board may, in accordance with regulations made under this section, waive or reduce any fee payable by micro and small enterprises or by businesses transitioning from the informal sector.

Fee waivers and MSME relief measures	21. (1)Fees prescribed under this Act shall reflect: (a) the size and turnover of the entity; (b) the administrative cost of service delivery; and (c) the principle of proportional regulation. (2)Micro and small enterprises shall not be subject to the same fee structure applicable to medium, large, or public companies. (3)The Board may grant full or partial fee waivers, reductions, or for: (a)micro enterprises transitioning from the informal sector; (b)youth-owned enterprises; (c)women-led enterprises; (d)start-ups within their first year of incorporation; (e)enterprises operating in designated priority sectors; or (f) such other categories as may be prescribed by regulation.
	PART III – GOVERNANCE AND ADMINISTRATION
Appointment of Director of Corporate Affairs	22. (1)Pursuant to section 23 of the National Investment Board Act 2022, the Executive Director of the Board, in consultation with the Board, shall appoint a Director of Corporate Affairs (in this Act referred to as “the Director”). (2)The Director of Corporate Affairs shall be responsible for the day-to-day administration of the Board. (3)The Director of Corporate Affairs shall act under the general direction and supervision of the Executive Director of the National Investment Board.

Qualifications of Director of Corporate Affairs	23. A person is qualified for appointment as Director of Corporate Affairs if that person— (a) is a legal practitioner of not less than ten (10) years' standing; or (b) possesses a post-graduate degree and not less than ten (10) years' professional experience in corporate regulation, business administration, or finance at senior management level.
Fit-and-Proper Requirements	24. (1)No person shall be appointed as Director of Corporate Affairs, Deputy Director of Corporate Affairs, or to a senior management position within the Board unless they satisfy the fit-and-proper criteria. (2)A person is "fit and proper" if they: (a)possess proven integrity, competence, and professional standing; (b)have not been convicted of an offence involving fraud, dishonesty, or breach of trust; (c)have not been declared bankrupt; and (d)do not hold any interest that creates an irreconcilable conflict with the duties of the office.

Powers and duties of Director of Corporate Affairs	25. The Director of Corporate Affairs shall: (a) supervise the registration, regulation, and compliance functions of the Board; (b) ensure the integrity and security of all electronic and physical registers; (c) enforce compliance through the issuance of notices and administrative penalties; (d) manage beneficial ownership disclosures and transparency protocols; (e) oversee the One-Stop Shop and inter-agency data synchronisation; (f) promote digital transformation and automation of all Board services; and (g) perform such other functions as may be assigned by the Executive Director or by regulation.
Deputy Director of Corporate Affairs	26. (1)There shall be a Deputy Director of Corporate Affairs who shall assist the Director of Corporate Affairs in the discharge of functions under this Act. (2) A person is qualified for appointment as Deputy Director of Corporate Affairs if that person holds a post-graduate degree in a relevant field and possesses not less than seven (7) years' relevant professional experience.

Qualifications of Deputy Director of Corporate Affairs	27. A person is qualified for appointment as Deputy Director of Corporate Affairs if that person— (a) possesses a postgraduate degree in law, business administration, public administration, finance, economics, information systems, or a related discipline from a recognised tertiary institution; (b) has not less than seven years of relevant professional experience, of which at least three years must have been at a senior management level, in one or more of the following fields: (i) corporate regulation or commercial law; (ii) public administration or regulatory compliance; (iii) financial services or economic policy; or (iv) digital governance and electronic Board systems; and (c) is a member in good standing of a relevant professional body.

Powers and duties of Deputy Director	28. (1)The Deputy Director of Corporate Affairs shall assist the Director of Corporate Affairs in the overall administration of the Directorate and the exercise of the functions and powers conferred upon the Director of Corporate Affairs under this Act and the National Investment Board Act. (2)Without prejudice to the generality of subsection (1), the Deputy Director of Corporate Affairs shall: (a) oversee the day-to-day operational management of the Board's technical departments, including the IT infrastructure and digital filing systems; (b) coordinate the administrative functions of the One-Stop Shop, ensuring inter-agency cooperation and adherence to statutory timelines; (c) monitor the performance and conduct of Board staff and ensure compliance with the Code of Ethical Conduct; (d) lead the implementation of the Board's modernisation and digital transformation strategies; (e) supervise the maintenance and security of the physical archives and the integrity of the electronic database; and (f) perform such other functions as the Director of Corporate Affairs may, from time to time, assign or delegate in writing. (3) (a) In the event of the Director of Corporate Affairs' absence, temporary incapacity, or a vacancy in the office of the Director of Corporate Affairs, the Deputy Director of Corporate Affairs shall act as the Director of Corporate Affairs and shall, during that period, have all the powers and perform all the duties of the Director of Corporate Affairs under this Act. (b) While acting as the Director of Corporate Affairs, the Deputy Director of Corporate Affairs shall be responsible to the Executive

	Director of the National Investment Board for the proper performance of the Board's functions. (4) Any act, decision, or instrument done or executed by the Deputy Director of Corporate Affairs while acting on behalf of the Director, or pursuant to a delegation under this Act, shall be deemed to have been done or executed by the Director of Corporate Affairs and shall have full legal effect.

Acting Appointment and Continuity	29. (1)Where the Director of Corporate Affairs is absent, or the office is vacant, the Deputy Director of Corporate Affairs shall act as Director of Corporate Affairs and exercise all powers conferred by this Act. (2) The validity of any act or decision of the Board shall not be affected by a vacancy in the office of the Director.
Delegation of Powers	30. (1)The Director of Corporate Affairs may, in writing, subject to the approval of the Executive Director, delegate any power or function to the Deputy Director of Corporate Affairs or any senior officer of the Directorate. (2)A delegation may be subject to conditions and may be amended or revoked at any time. (3) Any delegated power exercised shall be deemed to have been exercised in the name of the Director of Corporate Affairs.
Performance contract and reporting obligations	31. (1)The Director of Corporate Affairs and Deputy Director of Corporate Affairs shall each enter into a performance contract with the Executive Director of the Board. (2)The Board shall submit monthly, operational reports and an annual performance report to the Executive Director or as may be required by the Board, detailing registration metrics, revenue, and enforcement actions and related activities.
Professional development	32. All professional staff shall undertake Mandatory Continuing Professional Development in areas relevant to the functions of the Registry, including but not limited to corporate governance, cybersecurity, and AML/CFT compliance, as well as any other technical, regulatory, or professional subjects prescribed by the Board or the Registrar from time to time.

Conflict of Interest and Ethics	33. (1)Before assuming office, the Director of Corporate Affairs and Deputy Director of Corporate Affairs shall take an Oath of Office and subscribe to the Code of Ethical Conduct of the Board. (2) Any staff member who has an interest in a matter before the Board shall disclose such interest and recuse themselves from the decision-making process.
Confidentiality Obligations	34. (1)An officer of the Board shall not disclose any information obtained in the performance of duties under this Act except— a) for the purpose of performing a function under this Act; b) when required by a court order; c) when authorised by the Director of Corporate Affairs; or d) when disclosure is made to a competent authority in accordance with the law. (2) A person who contravenes subsection (1) commits an offence and is liable on conviction to a fine or to imprisonment for a term, or to both.
Cooling-Off Period for Senior Officers	35. (1)A person who has served as Director of Corporate Affairs or the Deputy Director shall not, for a period of one year after leaving office— (a)accept employment with, or provide consultancy services to, any entity regulated by the Board; (b)act as an agent or representative of any such entity in dealings with the Board; or (c)engage in any activity that creates a conflict with the functions previously exercised.

	(2) The Minister may, on application, exempt a person from the cooling-off period where satisfied that no conflict of interest arises.
Internal Audit and Compliance Oversight	36. (1)The Internal Audit Department of the Board shall be responsible for— a) monitoring adherence to internal controls and procedures; b) reviewing compliance with this Act and regulations; c) assessing risks relating to data protection, cybersecurity, and operational integrity; and d) reporting findings to the Executive Director of the National Investment Board. (2) The Internal Audit department shall operate independently of the operational departments of the Board.
Whistleblower Protection	37. (1)An officer or member of the public who, in good faith, reports misconduct, corruption, fraud, or breach of duty by any officer of the Board shall not be subjected to retaliation, discrimination, or adverse employment action. (2)Any person who retaliates against a whistleblower commits an offence and is liable on conviction to a fine or to imprisonment.

	(3) The Board shall establish secure and confidential reporting channels.

Disciplinary Procedures	38. The Director of Corporate Affairs and Deputy Director of Corporate Affairs may be subject to disciplinary action or removal from office by the Executive Director, with the approval of the Board, only on the following grounds: **(**a) persistent or gross violation of any provision of this Act; (b) proven misconduct, including a serious breach of the Code of Ethical Conduct or the Conflict of Interest rules; (c) physical or mental incapacity that renders the officer unable to perform the functions of the office; (d) gross negligence or dereliction of duty resulting in significant loss to the Board or the State; (e) conviction for a criminal offence involving fraud, dishonesty, corruption, or breach of trust; or (f) professional incompetence as evidenced by repeated failure to meet the targets of the performance contract. (2) Before any disciplinary action or recommendation for removal is finalised under subsection (1), the Executive Director shall: (a) provide the officer with a written notice specifying the allegations and the evidence relied upon; (b) grant the officer a period of not less than fourteen (14) days to submit a written response; and (c) allow the officer an opportunity to be heard, either in person or through a legal representative, before a disciplinary committee established by the Board. (3) The Executive Director may, in the interest of the public or the Board, suspend the Director of Corporate Affairs or Deputy Director of Corporate Affairs from office pending the conclusion of an investigation or disciplinary proceeding, provided that:

	(a) the suspension is in writing; and (b) the officer continues to receive such portion of their emoluments as may be prescribed by the Board's human resource policy. (4) The Director of Corporate Affairs shall in consultation with the Human Resource Department of the National Investment Board be responsible for the discipline of all other staff and officers of the Directorate in accordance with: (a) the civil service regulations of Sierra Leone; (b) the internal human resource policies of the National Investment Board; and (c) the Code of Ethical Conduct. (5) All disciplinary actions taken against senior officers of the Board shall be recorded in the annual report submitted to Parliament to ensure transparency in the administration of the Board.

Inter-agency co-operation and data sharing	39. (1) The Board shall, in the exercise of its functions under this Act, enter into co-operation agreements with such Ministries, Departments, Agencies, and institutions as may be necessary or expedient for the advancement of the objects of this Act, including agreements for the co-ordination of registration procedures, the alignment of compliance requirements, and the sharing of information relevant to business registration, taxation, social security, and the regulation of commercial activity. (2) Every co-operation agreement entered into under subsection (1) shall— (a) be in writing and executed by the relevant head of each party; (b) specify the objectives and scope of the co-operation; (c) identify the officers responsible for implementation on each side; (d) set out the dispute resolution mechanism applicable between the parties; and (e) be reviewed not less than once every three years. (3) Without prejudice to the generality of subsection (1), the Board and each prescribed agency shall enter into a bilateral Data Sharing Protocol setting out— (a) the categories and fields of data to be shared between the parties; (b) the technical standards and security requirements applicable to the transmission, storage, and processing of shared data; (c) the frequency and format of data transmission, including the file formats, encryption standards, and authentication protocols to be applied; and

	(d) the governance arrangements for data quality assurance, error correction, incident reporting, and the resolution of disputes arising from the sharing of data. (4) A Data Sharing Protocol entered into under subsection (3) shall— (a)be published by the Board on its official website within fourteen days of execution; and (b) be reviewed by the parties not less than once every two years or whenever there is a material change in the technical or legal framework governing data sharing. (5) For the purposes of this section, "prescribed agency" means the National Revenue Authority, the National Social Security and Insurance Trust, all district and municipal councils, the Bank of Sierra Leone, the Sierra Leone Police, the Financial Intelligence Unit, and such other public bodies as the Minister may, by statutory instrument, prescribe. (6) Where a prescribed agency fails to comply with a data-sharing request duly made by the Board in accordance with an operative Data Sharing Protocol within fourteen working days of the request being made, the Board shall— (a) give written notice of the default to the head of the prescribed agency, specifying the nature of the request and the period of default; and (b) if the default continues for a further thirty days after the giving of that notice, notify the Minister in writing of the continued default, providing full particulars of the request, the protocol relied upon, and the steps taken by the Board to resolve the matter. (7) Upon receipt of a notification under subsection (6)(b), the Minister shall, within fourteen days—

	(a) cause the relevant head of the prescribed agency to appear before the relevant Parliamentary committee to account for the continued default; and (b) direct the prescribed agency, in writing, to remedy the default within such a period as the Minister considers reasonable, not exceeding thirty days. (8) A prescribed agency that, without reasonable cause, persistently fails to comply with its obligations under a Data Sharing Protocol shall be reported by the Minister to the Cabinet, and the Cabinet may direct such measures as are necessary to ensure compliance, including the withholding of co-operation agreements or inter-agency services until the default is remedied. (9) Nothing in this section shall be construed as requiring the Board or any prescribed agency to share data in a manner that would— (a) contravene any written law relating to confidentiality, privacy, or data protection that is in force in Sierra Leone; (b) prejudice any ongoing criminal investigation or prosecution; or (c) compromise the national security interests of Sierra Leone. (10) All data sharing conducted pursuant to this section shall be subject to, and carried out in compliance with, the data governance obligations, and any Data Sharing Protocol that is inconsistent with those obligations shall be of no effect to the extent of the inconsistency. (11)The Board shall coordinate with the Collateral Registry, Office of the Administrator and Registrar General and other secured transaction registries for–

	(a) data sharing; (b) avoidance of duplicate filings; and (c) unified public search capability.

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Protection from Liability	40. (1)No action or proceeding shall lie against the Executive Director, Director of Corporate Affairs, Deputy Director of Corporate Affairs, or any officer of the Board for any act done or omitted in good faith in the exercise of powers under this Act. (2) This protection does not apply to acts involving gross negligence, bad faith, or fraudulent intent.
	PART IV – INCORPORATION OF COMPANIES AND INCIDENTAL MATTERS
Formation and incorporation Right to Form a Company	41. (1)As from the commencement of this Act, any two or more persons may form and incorporate a company by complying with the requirements of this Act in respect of registration of the company. (2)Notwithstanding subsection (1), one person may form and incorporate a private company by complying with the requirements of this Act in respect of private companies. (3) A private company may be formed for any lawful business or commercial activity.

Association and partnership of more than 20 members when permitted	42. (1)No company, association, or partnership consisting of more than 20 persons shall be formed for the purpose of carrying on any business for profit or gain by the company, association, or partnership or by the individual members thereof, unless it is incorporated as a company under this Act or is formed in pursuance of some other enactment in force in Sierra Leone. (2)Nothing in this section shall apply to– (a) any co-operative society registered under the Cooperative Societies Act, 1977 or as amended; (b) any partnership for the purpose of carrying on practice– (i)as legal practitioners, by persons each of whom is a legal practitioner; or (ii) as accountants by persons each of whom is entitled by law to practise as an accountant. (3) If at any time the number of members of a company, association or partnership exceeds 20 in contravention of this section and it carries on business for more than 14 days while the contravention continues, every person who is a member of the company, association or partnership during the time that it carries on business after those 14 days shall be guilty of an offence and liable on conviction to a fine.

Capacity of individual to form company	43. (1)Subject to subsection (2), an individual shall not form or join in the formation of a company under this Act if he is– a. less than 18 years of age; b. of unsound mind; c. an undischarged bankrupt; or d. otherwise disqualified under this Act from being a director of a company. (2)Section (a) of subsection (1) shall not apply to companies formed prior to the commencement of this Act. (3) A corporate body in liquidation shall not join in the formation of a company under this Act.
Types of companies	44. An incorporated company may be either a company– a. having the liability of its members limited by the memorandum to the amount, if any, unpaid on the shares respectively held by them (in this Act referred to as “a company limited by shares”); b. having the liability of its members limited by the memorandum to such amount as the members may respectively thereby undertake to contribute to the assets of the company in the event of its being wound up (in this Act referred to as “a company limited by guarantee”); c. not having any limit on the liability of its members (in this Act referred to as “an unlimited company”). (2) Any of the companies mentioned in subsection (1) may either be a public or private company.

Private Companies	45. (1) A company shall be regarded as a private company where its memorandum of association expressly designates the company as a private company, and the company shall thereupon be subject to the restrictions and privileges applicable to private companies under this Act. (2) Every private company shall, by its articles, restrict the transfer of its shares, if any; (3)The total number of members of a private company shall not exceed 50, excluding persons who are *bona fide* in the employment of the company, or were while in that employment and have continued after the determination of that employment, to be members of the company. (4)Where two or more persons hold one or more shares in a company jointly, they shall, for the purpose of subsection (3), be treated as a single member. (5)A private company shall not, unless authorised by law, invite the public to– (a)subscribe for any shares or debentures of the company; or (b) deposit money for fixed periods or payable at call, whether or not bearing interest. (6) A private company shall have at least one director who is a natural person.

Small private company	46. (1) In this Act, a company qualifies as a small company in a financial year if – (a)It is a private company; (b) Its turnover is not more than the amount prescribed by the Micro Small and Medium Enterprise Act or policy in force from from time to time; (c)Its net assets value is not more than half the value of the prescribed turnover; (d)None of its members is an alien; and (e)None of its members is a government, government corporation or agency or its nominee; and (f) the directors between them hold not less than 51 per cent of its equity share capital. (2) The Board shall by statutory instrument prescribe simplified forms to be used for the purpose of incorporating a small company and the prescribed fees, waivers or exemptions.
Consequences of default in complying with conditions constituting a private company	47. (1)Subject to subsection (2), where default is made in complying with any of the provisions of section 45 of this Act in respect of a private company, the company shall cease to be entitled to the privileges and exemptions conferred on private companies by or under this Act and this Act shall apply to the company as if it were not a private company. (2) If a Court, on the application of the company or any other person interested, is satisfied that the failure to comply with the provisions of section 45 of this Act was accidental or due to inadvertence or to some other sufficient cause or that on other grounds it is just and equitable to grant relief, the court may, on such terms and conditions as may seem to be just and expedient,

	order that the company be relieved from the consequences mentioned in subsection (1).
Public Companies	48. Any company other than a private company shall be a public company, and its memorandum and certificate of incorporation shall state that it is a public company.
Unlimited Company to have share capital	49. After the commencement of this Act, an unlimited company shall be registered with a share capital; and where an existing unlimited company is not registered with a share capital, it shall, not later than six months after the commencement of this Act, alter its memorandum so that it becomes an unlimited company having a share capital not below the minimum share permitted under this Act.

Company limited by guarantee	50. (1)Where a company is to be formed for promoting commerce, art, science, religion, sports, culture, education, research, charity or other similar objects, and the income and property of the company are to be applied solely towards the promotion of those objects and no portion thereof is applied or transferred directly or indirectly to the members of the company except as permitted by this Act, the company shall not be registered as a company limited by shares, but as a company limited by guarantee. (2)After the commencement of this Act, every company limited by guarantee shall be incorporated as a company limited by guarantee and not having a share capital and every existing company limited by guarantee and having a share capital shall, not later than six months after the commencement of this Act, alter its memorandum so that it becomes a company limited by guarantee. Any company that fails to comply with this section shall be in default and shall be liable to a default fine. (3)In the case of a company limited by guarantee, every provision in the memorandum or articles or in any resolution of the company purporting to give any person a right to participate in the divisible profit of the company or purporting to divide the company's undertaking into shares or interests shall be void. (4) A company limited by guarantee shall not be incorporated with the object of carrying on business for the purpose of making profits for distribution to members. (5)If any company limited by guarantee carries on business for the purpose of distributing profits, all officers and members thereof who are cognisant of the fact that it is so carrying on business shall be jointly and severally liable for the payment and discharge of all the debts and liabilities of the company incurred in carrying on the business; and the company and every such officer and member shall be liable to a fine for each day during which it carries on the business.

	(6) Subject to compliance with subsection (5), the articles of association of a company limited by guarantee may provide that members can retire or be excluded from membership of the company. (7) If, upon the winding up of a company limited by guarantee, there remains after the discharge of all its debts and liabilities any property of the company, the property shall not be distributed among the members but shall be transferred to some other company limited by guarantee having objects similar to the objects of the company or applied to some charitable object and the other company or charity shall be determined by the members prior to the dissolution of the company.

Memorandum of Association	51. (1)The memorandum of every company shall state– (a) the name of the company; (b) that the registered office of the company is situated in Sierra Leone; (c) the object of the company, which may be for any lawful purpose; (d) the nature of the business or businesses which the company is authorised to carry on, or, where the company is not formed for the purpose of carrying on business, the nature of the object or objects for which it is established; (e) any restriction on the powers of the company; (f) whether the company is incorporated as a private company or a public company; and (g) whether the liability of its members is limited by shares, limited by guarantee, or is unlimited, as the case may be. (2) If the company has a share capital, the memorandum shall also state the amount of share capital – (a)in the case of a private company, the company proposes to be registered, the division of shares into a fixed amount, not being less than NLe1,000, in the case of a private company, 25 per cent of which shall be taken by subscribers. (b) in the case of a public company, the amount which the company proposes not being less than NLe50,000, in the case of a public company, 25 per cent of which shall be taken up by subscribers. (c)each subscriber shall, opposite his name, state his National Identification Number and the number of shares for which he subscribes.

	(3) The memorandum of a company limited by guarantee shall also state that– (a) the income and property of the company shall be applied solely towards the promotion of its objects, and that no portion shall be paid or transferred directly or indirectly to the members of the company except as permitted by or under this Act; and (b) each member undertakes to contribute to the assets of the company in the event of its being wound up while he is a member or within one year after he ceases to be a member, for the payment of the debts and liabilities of the company, and of the costs of winding-up, such amount as may be required not exceeding NLe250 or such greater amount as the members may determine. (4) The memorandum shall be signed by each subscriber— (a) in the presence of at least one witness who shall attest the signature; or (b) by electronic signature , and each subscriber shall provide his or her full name and national identification number. (5) Where the application for incorporation is submitted electronically, the Director of Corporate Affairs may require the promoter to indicate the means of authentication.

Form of Memorandum	52. Subject to the provisions of section 51, the form of a memorandum of association of– (a) a private company limited by shares; (b) A public company limited by shares; (c) a company limited by guarantee; and (d) an unlimited company (e) micro and small private company limited by shares shall be as specified in Tables A, B, C, D and E, respectively, in the First Schedule, or as near to that form as circumstances may permit.
Name of company as stated in memorandum	53. (1)The name of a private company limited by shares shall end with the word “Limited.” (2)The name of a public company limited by shares shall end with the words “Public Limited Company.” (3) The name of an unlimited company shall end with the word “Unlimited.” (4)Subject to section 54, the name of a company limited by guarantee shall end with the word “limited by guarantee.” (5) A company may use the abbreviations “Ltd”, “PLC”, “Ultd” and “LG” for the words “Limited,” “Public Limited Company,” “Unlimited” and Limited by Guarantee respectively in the name of the company.

Exemption from requirement of using "limited" as part of name	54. (1)Subject to subsection (3), the Board may exempt a company limited by guarantee from the requirements of section 53 relating to the use of "limited" as part of its name. (2)Subject to subsection (2), an existing company which, immediately before the commencement of this Act, was exempted from the requirement to include "Limited" or "Ltd." as part of its name by virtue of a licence granted under section 26 of the Companies Act 2009 as amended, or any corresponding previous enactment, shall continue to be so exempted. (3) A company shall, in order to be exempted from the requirements of section 53, satisfy the Board that– (a) the objects of the company are, or in the case of a company about to be registered, are to be, the promotion of commerce, art, science education, religion, charity or any profession, and anything incidental or conducive to any of those objects; and (b) the company's memorandum or articles- (i)require its profits (if any) or other income to be applied in promoting its objects; (ii) prohibits the payment of dividends to its members, and (iii) require all the assets which would otherwise be available to its members generally to be transferred on its winding up either to another body with objects similar to its own or to another body the objects of which are the promotion of charity and anything incidental or conducive thereto (whether or not the body is a member of the company). (4) The company shall deliver to the Board a statutory declaration made– a. in the case of a company to be formed, by a legal practitioner engaged in its formation or by a person named as director or

	secretary in the statement delivered under subsection (2) of section 63; b. in the case of a company proposing to change its name so that it ceases to have the word “limited” as part of its name, by a director or secretary of the company. (5) A company which is exempted from the requirement relating to the use of “limited” and does not include that word as part of its name is also exempted from the requirements of this Act relating to the publication of its name and the sending of lists of members to the Board.

Provisions applicable to a company exempted	55. (1)A company which is exempted under section 54 and whose name does not include “limited” shall not alter its memorandum or articles of association so that it ceases to comply with the requirements of subsection (3) of that section. (2)If it appears to the Board that a company referred to in subsection (1) has– a. carried on any business other than the promotion of any of the objects mentioned in subsection (3) of section 54; b. applied any of its profits or other income otherwise than in promoting such objects, or c. paid a dividend to any of its members, it may, in writing, direct the company to change its name by resolution of the directors within such period as may be specified in the direction, so that its name ends with “limited”. (3) A copy of a resolution passed by the directors in compliance with a direction under subsection (2) shall be registered with the Board within fifteen days after the passing of the resolution in accordance with section 332. (4) If a company contravenes subsection (1), the company and any officer in default shall be liable to a daily default fine and any resolution passed in contravention of this section shall be void. (5) If a company fails to comply with a direction of the Board under subsection (2), the company and any officer in default shall be liable to a daily default fine.

Prohibited and restricted names	56. (1)No company shall be incorporated or registered under this Act by a name which– a. is identical with that by which a company in existence is already registered, or so nearly resembles that name as to be likely to deceive, except where the company in existence is in the course of being dissolved and signifies its consent in such manner as the Board may require; b. contains the words “Chamber of Commerce “ unless it is a company limited by guarantee; c. in the opinion of the Board, it is capable of misleading as to the nature or extent of its activities or is undesirable, offensive or otherwise contrary to public policy; d. in the opinion of the Board, it would violate any existing business name registered in Sierra Leone unless the consent of the owner of the business name has been obtained. (2) Except with the consent of the Board, no company shall be registered by a name which- a. contains the words “Sierra “Leone” “National” or “Government,” or any word which in the opinion of the Board suggests or is calculated to suggest that it enjoys the patronage of the Government or any Ministry or Department of Government; or b. contains the word “Municipal” or “Chartered” or, in the opinion of the Board, suggests, or is calculated to suggest, connection with any municipality or other local council; c. contains the word “Co-operative;” d. contains the word “Group”, “Holding” or “International.” (3) The Board may, by statutory instrument, amend subsection (2).

Penalty for improper use of limited	57. Any person who trades or carries on business under a name or title of which “limited” or any contraction or imitation thereof, is the last word, that person, unless duly incorporated with limited, shall be guilty of an offence and be liable on conviction to a fine for each day that the default continues.

Change of name of company	58. (1)Subject to subsection (2), a company may, by special resolution and with the approval of the Board, change its name. (2) In the case of a company which has been directed by the Board to change its name under section 55 that company shall, by resolution, change its name within such period as may be specified in the direction. (3) If a company, through inadvertence or otherwise, is registered under a name identical with that by which a company in existence is previously registered or so nearly resembling it as to be likely to deceive, the first mentioned company may– (a) with the approval of the Board signified in writing, change its name; and (b) if the Board so directs, within six months after the registration, the company concerned shall change its name. (4) If a company defaults in complying with a direction of the Board given under subsection (2), the company and any director of the company who is cognisant of the default shall be guilty of an offence and be liable on conviction to a fine for each day that the default continues. (5) Where a company changes its name, the Director of Corporate Affairs shall enter the new name on the register in place of the former name and shall issue a certificate of incorporation altered to meet the circumstances of the case. (6) If the Board is of the opinion that, by reason of any change in the nature of the business carried on by a company, the name under which it is registered is misleading or undesirable, it may direct the company to change its name within six weeks of such direction.

	(7) If at the expiration of the period mentioned in subsection (6), the company has not complied with the direction and has not shown cause for the non-compliance, the Board may strike its name off the register. (8) Any company or member or creditor of such company aggrieved by a decision of the Board under subsection (7) may appeal to the High Court for the restoration of the company to the register. (9) A change of name shall not affect any right or obligation of the company or render defective any legal proceedings by or against the company, and any legal proceedings that might have been continued or commenced against it by its former name may be continued or commenced against it by its new name. (10) Any change in the name of a company shall be published by the Director of Corporate Affairs in the *Gazette* and two local newspapers with wide circulation in Sierra Leone. (11) A publication in the *Gazette and at* least two local newspapers of wide circulation shall be *prima facie* evidence of the change of name to which it relates.

Reservation of Name	59. (1)The Board may, upon receipt of an application delivered to it in hard copy or through electronic communication and on payment of the prescribed fees, reserve a name pending registration of a company or change of name by a company upon confirmation of the availability of such name. (2)The reservation mentioned in subsection (1) shall be determined upon receipt of the application under subsection (1), and shall be valid for such period as the Board may by regulation determine, and during the period of reservation no other company shall be registered under the reserved name or under any name which, in the opinion of the Board nearly resembles the reserved name. (3)Notwithstanding the provisions of subsections (1) and (2), the Board may at any time before a certificate of incorporation is issued, withdraw or cancel a reserved name if it discovers that such name is identical with that by which a company in existence is already registered, or so nearly resembles it as to be likely to deceive.

Articles for regulating companies	60. (1)Save for a small company, every company, whether limited by shares or by guarantee or unlimited, shall be incorporated with the memorandum or articles of association, signed by the subscribers to the memorandum and prescribing regulations for the company. (2) In the case of an unlimited company having a share capital, the articles shall state the amount of share capital with which the company proposes to be registered. (3) Reference in this Act to a company's "articles" are to its articles of association. **(**4) The articles shall be– (a) Printed, submitted electronically or in the manner prescribed by regulations governing the operationalization of the one stop shop; (b) divided into sections numbered consecutively; and c signed by each subscriber of the memorandum, whether by hand-written or electronic signature, in the presence of at least one witness who shall attest the signature.
Default application of model articles.	61. On the formation of a limited company, if articles are— (a) not registered; or (b) registered, in so far as they do not exclude or modify the relevant model articles, the relevant model articles form part of the company's articles in the same manner and to the same extent as if those articles expressly included the relevant model articles in the form in which those articles had been duly registered.

	(2) In this section, the “relevant model articles” means the model articles prescribed by the Board for a company of that description as in effect at the date on which the company is registered.
Statement of company’s objects	62. (1)Unless a company’s articles specifically restrict the objects of the company, or where by legislation a company’s objects are restricted, its objects are unrestricted. (2)Where a company amends its articles to add, remove or alter a statement of the company’s objects— a. it shall file such notice electronically to the Board; or submit such notice at the one stop shop in the manner so prescribed b. on receipt of the notice, the Board shall register it; and c. the amendment is not effective until after the entry of that notice in the register. (3) Any such amendment does not affect any right or obligation of the company or render defective any legal proceeding by or against it.

Registration Documents	63. (1)After the commencement of this Act, a company shall be formed in the manner set out in this section. (2)There shall be delivered to the Board– a. the memorandum of association of the company; b. the notice of the address of the registered office of the company and the head office, if different from the registered office, but the postal box address or a private bag address shall not be accepted by the Commission as the registered office; a statement containing– (i)the list, particulars together with valid identification and the consent of the persons who are to be the first directors of the company; (ii) where applicable, the person who is or the persons who are to be the first secretary or joint secretaries of the company; (iii)a declaration by the subscribers stating– (iv)the names and addresses and national identification number of the subscribers; (v) the share capital of the company; (vi) the number of shares to be issued to each subscriber; and (vii) where applicable, that twenty-five per cent of the shares have been subscribed; (viii) a declaration that copies of valid Identification of subscribers have been submitted (ix) a declaration by the subscribers that they have complied with the requirements of the law;

	(x) any other document required by the Board to satisfy the requirement of any law relating to the formation of a company. (3) Where the Board refuses a statutory declaration, it shall give, send to or otherwise inform the declarant of its refusal, giving reasons for the refusal. (4) This section shall not apply to a small company or a single-member company.

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Registration of memorandum and articles	64. (1)The Board shall register the memorandum and articles and allocate to the company a unique identifying number unless in its opinion– a. they do not comply with the provisions of this Act; b. the business which the company is to carry on, or the objects for which it is formed, or c. any of them is illegal; d. any of the subscribers to the memorandum is incompetent or disqualified in accordance with section 43; e. there is non-compliance with the requirement of any other enactment as to registration and incorporation of a company. (2) Where the Board refuses to register the memorandum and articles of association, it shall, within 14 days, write to the applicant of its decision. (3) Any person aggrieved by the decision of the Board under subsection (1) shall appeal to the Court within 30 days of the receipt of the decision. (4) The Board may, in order to satisfy itself as provided in section (c) of subsection (1), in writing, require a person subscribing to the memorandum to make and lodge with the Board a statutory declaration to the effect that he is not disqualified under section 43 from forming or joining in a company.

Unique Business Identifier.	65. (1) The Unique Business Identifier assigned to an entity shall be permanent and shall not be re-assigned to any other entity, whether on dissolution, deregistration, or otherwise. (2) Every business entity shall display its Unique Business Identifier on all official documents, invoices, correspondence, and digital communications relating to its business. (3) All public bodies, including the National Revenue Authority, the National Social Security and Insurance Trust, district and municipal councils, the Bank of Sierra Leone, and such other agencies as the Minister may by order prescribe, shall adopt the UBI as the primary reference key for all records relating to business entities. (4) The Board shall maintain a publicly accessible UBI look-up interface through which the registration status, entity type, and compliance status of any registered entity may be verified free of charge.

Effect of Incorporation	66. (1)On the registration of the company in accordance with section 64, the Board shall issue a certificate of incorporation that complies with this section, certifying under its seal that the company is incorporated and, in the case of a limited company, that it is limited. **(**2) A certificate of incorporation complies with this section if it states— (a)the name of the company and its unique identifying number; (b)the date of the company's incorporation; (c)whether the company's liability is limited or unlimited, and if it is limited, whether it is limited by shares or by guarantee; and (d)whether the company is private or public. (3) The certificate of incorporation shall be signed by the Director of Corporate Affairs, or any officer authorised for that purpose. (4) From the date of incorporation mentioned in the certificate, the subscribers of the memorandum, together with such other persons as may from time to time become members of the company, shall be a body corporate by the name contained in the memorandum. (5) A certificate of incorporation shall be *prima facie* evidence– (a) that the requirements of this Act in respect of registration and of matters precedent and incidental to it have been complied with, and is duly registered under this Act; and (b) if the certificate contains a statement that the company is a public company, that the company is such a company.
	Limited Liability Partnership

Limited liability partnership to have separate legal personality.	67. (1)A limited liability partnership is a body corporate formed and incorporated under this Act and is a legal entity separate from the partners. (2)A limited liability partnership shall have perpetual succession. (3)Any change in the partners of a limited liability partnership does not affect the existence, rights or liabilities of the limited liability partnership.
Capacity	68. On registration, a limited liability partnership is, by its name, capable of (a) suing and being sued; (b) acquiring, owning, holding and developing or disposing of property, whether movable or immovable, tangible or intangible; (c) if it decides to have one, have a common seal; and (d) doing and suffering such other acts and things as bodies corporate may lawfully do and suffer.
Partners.	69. Any individual or body corporate may be a partner in a limited liability partnership, provided that an individual shall not be capable of becoming a partner of a limited liability partnership if he is— (a) of unsound mind and has been so found by a court in Sierra Leone or elsewhere ; (b) an undischarged bankrupt.

Minimum number of partners.	70. (1)Every limited liability partnership shall have at least two partners. (2) If at any time the number of partners of a limited liability partnership is reduced below two and the limited liability partnership carries on business for more than two years while the number is so reduced, the person, who is the only partner of the limited liability partnership during the time that it carries on business after two years and has the knowledge of the fact that it is carrying on business with him alone, is liable personally for the obligations of the limited liability partnership incurred during that period.
Limited Liability of Partners	71. (1)An obligation of the limited liability partnership, whether arising in contract, tort, or otherwise, is solely the obligation of the limited liability partnership. (2)A partner is not personally liable, directly or indirectly, by way of indemnification, contribution, assessment or otherwise, for an obligation mentioned in subsection (1) solely by reason of being a partner of the limited liability partnership. (3)Subsections (1) and (2) do not affect the personal liability of a partner in tort for the partner's own wrongful act or omission, but a partner is not personally liable for the wrongful act or omission of any other partner of the limited liability partnership. (4)Where a partner of a limited liability partnership is liable to any person (other than another partner of the limited liability partnership) as a result of the partner's wrongful act or omission in the course of the business of the limited liability partnership or with its authority, the limited liability partnership is liable to the same extent as the partner. (5)The liabilities of the limited liability partnership must be met out of the property of the limited liability partnership.

Power of partner to bind the limited liability partnership	72. (1)A partner of a limited liability partnership is the agent of the limited liability partnership. (2)Notwithstanding subsection (1), a limited liability partnership is not bound by anything done by a partner in dealing with a person if— (a)the partner has, in fact, no authority to act for the limited liability partnership by doing that thing; and (b) the person knows that the partner has no authority or does not know or believe that person to be a partner of the limited liability partnership. (3) Where a person has ceased to be a partner of a limited liability partnership, the former partner is, in relation to a person dealing with the partnership, to be treated as still being a partner of the partnership, unless— (a)the person has notice that the former partner has ceased to be a partner of the limited liability partnership; or (b)the former partner has ceased to be a partner of the limited liability partnership and notice of that fact has been delivered to the Director of Corporate Affairs.
Relationship of the partners.	73. (1)Except as otherwise provided by this Act, the mutual rights and duties of the partners of a limited liability partnership, and the mutual rights and duties of a limited liability partnership and its partners, shall be governed by the limited liability partnership agreement between the partners, or between the limited liability partnership and its partners. (2) In the absence of agreement as to any matter, the mutual rights and duties of the partners and the mutual rights and duties

	of the limited liability partnership and the partners shall be determined by the provisions of the Ninth Schedule.
Designated Partners	74. (1)Every limited liability partnership shall have at least one designated partner who is an individual and resident in Sierra Leone. (2) Subject to the provisions of subsection (1)— if the incorporation document— (i)specifies who is to be the designated partners, that person is the designated partners on incorporation, or (*ii*) states that each of the partners of a limited liability partnership is to be a designated partner, and every such partner is a designated partner, any partner may become a designated partner in accordance with the limited liability partnership agreement, and a partner may cease to be a designated partner in accordance with the limited liability partnership agreement. (3) An individual does not become a designated partner in any limited liability partnership unless he has given his prior written consent to act as such to the limited liability partnership. (4) Every limited liability partnership shall file with the Board the particulars of every individual who has given his consent to act as a designated partner within 30 days of his appointment.

	(5) A person ceases to be a designated partner if he ceases to be a partner.
Liability of designated partners	75. Unless expressly provided otherwise in this Act, a designated partner is— (a) responsible for the doing of all acts, matters and things as are required to be done by the limited liability partnership in respect of compliance of the provisions of this Act, including filing of any document, return, statement and other report under this Act and as may be specified in the limited liability partnership agreement; and (b) liable to all penalties imposed on the limited liability partnership for any contravention of those provisions.

Changes in designated partner.	76. A limited liability partnership shall appoint a designated partner within 30 days of a vacancy arising for any reason, and the provisions of section 74 shall apply in respect of such new designated partner: Provided that if no designated partner is appointed, or if at any time there is only one designated partner, each partner is deemed to be a designated partner.
Penalty for contravention of sections 78, 79 and 80	77. If default is made in complying with the provisions of sections 74, 75, and 76, the limited liability partnership and each of its partners is liable to a penalty in the amount as the Board shall specify in its regulation.

Incorporation documents.	78. (1) For a limited liability partnership to be incorporated— (a) two or more persons associated for carrying on a lawful business with a view to profit shall subscribe their names to an incorporation document; and (b) the incorporation documents shall be filed in the manner and with the fees, as may be prescribed by the Board from time to time. (2) The incorporation documents shall be in the form as prescribed by regulations and shall— (c) state the name and national identification number of the partners of the limited liability partners; (d) state the address of the registered office of the limited liability partnership; (e) state the name and address of each of the persons who are partners of the limited liability partnership on incorporation; (f) state the name and address of the persons who are to be designated partners of the limited liability partnership on incorporation; (g) contain other information concerning the proposed limited liability partnership as the Board may prescribe. (3) If a person knowingly makes a statement under subsection (2) which is false, he commits an offence and is liable on conviction to imprisonment for a term of three months or a fine as the Court deems fit or both.

Incorporation by registration.	79. (1)When the requirements imposed under section 78 (1) and (2) have been complied with, the Directorate shall, within 14 days— a. register the incorporation document; and b. issue a certificate stating that the limited liability partnership is incorporated under the name specified in the certificate. (2) The Board may accept the statement delivered under section 78 (2) as sufficient evidence that the requirement imposed under section 78 (1) (*a*) has been complied with. (3)The certificate issued under subsection (1) (b) shall be signed by the Board. (4)The certificate shall state— a. the name of the limited liability partnership given in the incorporation document; b. the limited liability partnership's registration number; c. the date of registration; and d. that the limited liability partnership is incorporated as a limited liability partnership under this Act. (5) The certificate shall be prima facie evidence that the limited liability partnership is incorporated by the name specified in it.

Registered office of limited liability partnership	80. (1)Every limited liability partnership shall have a registered office in Sierra Leone to which all communications and notices may be addressed and where they shall be received. (2)A document required or authorised to be served under this Act may be served on a company, limited liability partnership, partner, designated partner or any other person by leaving it at the registered office of the company or limited liability partnership or at the address specified for service in the register; sending it by a reliable courier service that provides proof of delivery; electronic means, including email or through the Unified Business Board portal, where the recipient has provided an electronic address for service or consented to electronic service; personal service on the person or an authorised officer; or such other method as the Board may prescribe by regulations or the Court may direct in the circumstances. (3)A limited liability partnership may, by resolution, change the place of its registered office. (4)Where a limited liability partnership changes the place of its registered address, the change shall not take effect unless notice of the change has been delivered to the Board not later than 14 days after the passing of the resolution. (5) Where a limited liability partnership makes default in complying with the provisions of this section, the limited liability partnership and each partner shall each be liable to a penalty for every day that the default continues, and the penalty shall be in the amount as the Board shall specify in the regulations.

Name of limited liability partnership	81. (1)Every limited liability partnership shall have either the words “limited liability partnership” or the acronym “LLP” as the last words of its name. (2)A limited liability partnership shall not be registered by a name which, in the opinion of the Board is— (a)undesirable; or (b)identical or too nearly resembles that of any other partnership, business name, limited liability partnership, body corporate, or a registered trademark.
Reservation of name and change of name	82. The provisions of sections 58 and 59 of this Act are applicable in relation to the reservation of the name or change of name of a limited liability partnership.
Penalty for improper use of words, limited liability partnership or LLP.	83. Where a person carries on business under a name or title of which the words “Limited Liability Partnership” or “LLP” or any contraction or imitation is or are the last word or words, that person or each of those persons shall, unless duly incorporated as limited liability partnership, be liable to a penalty in the amount as the Board shall specify in the regulation.
Publication of name and limited liability.	84. (1)Every limited liability partnership shall ensure that its invoices, official correspondence and publications bear— a. the name, address of its registered office and registration number of the limited liability partnership; and b. a statement that it is registered with limited liability. (2) Where a limited liability partnership makes default in complying with the provisions of this section, the limited liability partnership and every partner shall each be liable to a penalty for

	every day the default continues in the amount as the Board shall specify in the regulation.
Eligibility to be partners.	85. On the incorporation of a limited liability partnership, the persons who subscribed their names to the incorporation documents shall be its partners, and any other person may become a partner of the limited liability partnership in accordance with the limited liability partnership agreement.

Cessation of partnership interest.	86. (1)A person may cease to be a partner of a limited liability partnership in accordance with an agreement with the other partners or, in the absence of agreement with the other partners as to cessation of being a partner, by giving a notice in writing of at least 30 days to the other partners of his intention to resign as a partner. (2)A person shall cease to be a partner of a limited liability partnership— a. on his death or dissolution of the limited liability partnership; or b. if he is declared to be of unsound mind by a competent court; or c. if he has applied to be adjudged or declared as an insolvent. (3)Where a person has ceased to be a partner of a limited liability partnership (in this Act referred to as “former partner”), the former partner is to be regarded, in relation to any person dealing with the limited liability partnership as still being a partner of the limited liability partnership unless— a. the person has notice that the former partner has ceased to be a partner of the limited liability partnership; or b. notice that the former partner has ceased to be a partner of the limited liability partnership has been delivered to the Board. (4)The cessation of a partner from the limited liability partnership does not by itself discharge the partner from any obligation to the limited liability partnership, the other partners or any other person which he incurred while being a partner. (5)Where a partner of a limited liability partnership ceases to be a partner, unless otherwise provided in the limited liability partnership agreement, the former partner or a person entitled to his share as a result of the death or insolvency of the former partner is entitled to receive from the limited liability partnership—

	a. an amount equal to the capital contribution the former partner actually made to the limited liability partnership; and b. his right to share in the accumulated profits of the limited liability partnership, after the deduction of accumulated losses of the limited liability partnership, determined as at the date the former partner ceased to be a partner. (6) A former partner or a person entitled to his share as a result of the death or insolvency of the former partner shall not have any right to interfere in the management of the limited liability partnership.

Registration of changes in partners.	87. (1)Every partner shall inform the limited liability partnership of any change in his name or address within 15 days of the change. (2)A limited liability partnership shall— a. where a person becomes or ceases to be a partner, file a notice with the Board within 7 days from the date he becomes or ceases to be a partner; and b. where there is a change in the name or address of a partner, file a notice with the Board within 7 days of the change. (3)A notice filed with the Board under subsection (2)— a. shall be in such form and accompanied by such fees as may be prescribed; b. shall be signed by the designated partner of the limited liability partnership; and c. if it relates to an incoming partner, it shall contain a statement by the partner that he consents to becoming a partner and is signed by him. (4)Where default is made by any limited liability partnership in complying with subsection (2), the limited liability partnership and every designated partner of the limited liability partnership shall each be liable to a penalty for each day the default continues in the amount as the Board shall specify in its regulations. (5)If any partner contravenes the provisions of subsection (1), the partner shall be liable to a penalty in such amount as the Board shall specify in its regulations. (6)A person who ceases to be a partner of a limited liability partnership may himself file with the Board the notice referred to in subsection (3) if he has reasonable cause to believe that the limited liability partnership may not file the notice with the Board

	and in case of any such notice filed by a partner, the Board shall obtain a confirmation to this effect from the limited liability partnership unless the limited liability partnership has also filed such notice. (7) Where no confirmation is given by the limited liability partnership within 15 days, the Board shall register the notice made by a person ceasing to be a partner under this section.

Liability by holding out as a partner in a limited liability partnership	88. (1)A person who by words spoken or written or by conduct, represents himself, or knowingly permits himself to be represented to be a partner in a limited liability partnership is liable to any person who has on the faith of the representation given credit to the limited liability partnership, whether the person representing himself or represented to be a partner does or does not know that the representation has reached the person giving credit: Provided that where any credit is received by the limited liability partnership as a result of representation in subsection (1), the limited liability partnership shall, without prejudice to the liability of the person so representing himself or represented to be a partner, be liable to the extent of credit received by it or any financial benefit derived thereon. (2) Where, after a partner's death, the business is continued in the same limited liability partnership name, the continued use of that name or of the deceased partner's name as a part thereof shall not of itself make his legal representative or his estate liable for any act of the limited liability partnership done after his death.

Unlimited liability in case of fraud	89. In the event of an act carried out by a limited liability partnership, or any of its partners, with intent to defraud creditors of the limited liability partnership or any other person, or for any fraudulent purpose, the liability of the limited liability partnership and partners who acted with intent to defraud creditors or for any fraudulent purpose shall be unlimited for all or any of the debts or other liabilities of the limited liability partnership: Provided that where any act is carried out by a partner, the limited liability partnership is liable to the same extent as the partner unless it is established by the limited liability partnership that the act was carried out without the knowledge or the authority of the limited liability partnership. (2) Where any business is carried on with such intent or for such purpose as mentioned in subsection (1), every person who was knowingly a party to the carrying on of the business in the manner stated, commits an offence and is liable on conviction to imprisonment for a term which may extend to two years or a fine as the court deems fit or to both. (3) Where a limited liability partnership or any partner or designated partner or employee of the limited liability partnership has conducted the affairs of the limited liability partnership in a fraudulent manner, then without prejudice to any criminal proceedings which may arise under any law for the time being in force, the limited liability partnership and any such partner or designated partner or employee shall be liable to pay compensation to any person who has suffered any loss or damage by reason of the conduct, but the limited liability partnership shall not be liable if any such partner or designated partner or employee has acted fraudulently without the knowledge of the limited liability partnership.

Form of contribution	90. A partner's contribution may consist of tangible, intangible, movable, immovable or property or other benefit to the limited liability partnership, including money, promissory notes, other agreements to contribute cash or property, and contracts for services performed or to be performed. (2) The monetary value of the contribution of each partner shall be accounted for and disclosed in the accounts of the limited liability partnership in the manner as may be prescribed.
Obligation to contribute.	91. An obligation of a partner to contribute money, property or other benefit or to perform services for a limited liability partnership shall be in accordance with the limited liability partnership agreement. (2) A creditor of a limited liability partnership, which extends credit or otherwise acts in reliance on an obligation described in that agreement, without notice of any compromise between partners, may enforce the original obligation against such partner.
Partner's Transferable Interest	92. (1) Unless otherwise provided in the limited liability partnership agreement, the rights of a partner to a share of the profits and losses of a limited liability partnership and to receive distributions in accordance with the limited liability partnership agreement are transferable either wholly or in part. (2) The transfer of any right by any partner under subsection (1) does not by itself cause the disassociation of the partner or a dissolution and winding-up of the limited liability partnership. (3) The transfer of a right under this section does not, by itself, entitle the transferee or assignee to participate in the management or conduct of the activities of the limited liability partnership, or grant access to information concerning the transactions of the limited liability partnership.

	Registration Of Business Names
Proprietors and firms to be registered.	93. The following proprietors and firms shall be registered with the Board in the manner directed by this Part– (a) every sole proprietor having a place of business in Sierra Leone and carrying on business under a business name which does not consist of his ordinary name without any addition to it; (b) every firm having a place of business in Sierra Leone and carrying on business under a business name which does not consist of the ordinary names of all the partners in the firm without any addition to it; (c) every proprietor or firm having a place of business in Sierra Leone who or a partner in which has either before or after the coming into operation of this Act changed his name, including any proprietor or partner who, being a woman, has changed her name in consequence of marriage: Provided that– (i)where any addition to the ordinary name of a proprietor or the ordinary names of the partners in a firm carrying on any business merely indicates that the business is carried on in succession to a proprietor or firm formerly carrying on the same business, that addition shall not of itself render registration necessary; (ii) where two or more partners have the same surname, the addition of the letter“s” at the end of that surname shall not of itself render registration necessary; and (iii) where the business is carried on by a receiver or manager appointed by any court, registration shall not be necessary. (d) The section does not apply to corporations, legal practitioners, by persons each of whom is a legal practitioner or accountants

	by persons each of whom is entitled by law to practise as an accountant.

Manner and Particulars of Registration	94. Every proprietor or firm required by section 93 to be registered shall furnish to the Director of Corporate Affairs a statement in writing in the prescribed form signed by the proprietor or by all the partners in the firm and containing the following particulars:– (a) the business name of the business in respect of which the proprietor or firm is required to be registered; (b) their National Identification Number (c) the principal place of business; (d) all other places at which the business is carried on; (e) the usual residence and any other business occupation of the proprietor, or of every partner in the firm, and where the proprietor or any of the partners in the firm has either before or after the coming into operation of this Act changed his name, or being a woman, has changed her name in consequence of marriage, any name by which the proprietor or partner was formerly known; (f) if the business is commenced after the coming into operation of this Act, the date of commencement of the business.
Time for Registration	95. The particulars required to be furnished under this Part shall, in the case of a business commenced after the date upon which this Act comes into operation, be furnished within 28 days after the commencement of the business.

Registration on Identical Names	96. No business shall be registered under this Act by a name which is identical with that by which a business in existence is already registered, or which so nearly resembles that name as to be calculated to deceive. (2) The Board will assist businesses in searching for and reserving a business name that is sufficiently distinguishable from other business names within Sierra Leone. (3) The Registry shall maintain a synchronized, publicly accessible electronic database of all registered business names, company names and other entity names, which shall be available for electronic search by the public free of charge or at such nominal fee as may be prescribed by regulations. (4)Where business names are identical or so nearly resembles that of an existing name as to be likely to deceive, except where the company in existence is in the course of being dissolved and signifies its consent, the Directorate may issue directives to change its name and the company shall by resolution change its name within such period as may be specified in the direction.
Registration of Changes in Particulars	97. Whenever a change is made or occurs in any of the particulars registered in respect of any proprietor or firm, the proprietor or firm shall, within 28 days from the date of such change, notify the change to the Directorate in writing as provided in section 94 of this Act.
Penalty for default in registration	98. If any proprietor or firm fails to comply with any of the provisions of sections 94-96 the proprietor, or every partner in the firm, as the case may be, commits an offence and is liable on conviction to a fine for every day during which the default continues, and the court by which the offender is tried shall order a statement of the required particulars to be furnished to the Directorate within such time as may be specified in the order.

Filing of statement of particulars and certificate of registration	99. Every statement of particulars furnished under this Part shall be filed by the Directorate who shall deliver a certificate of the registration thereof to the proprietor or firm concerned, and the certificate or a certified copy thereof shall be kept exhibited in a conspicuous position at the principal place of business of the proprietor or firm and if not so kept exhibited, the proprietor, or every partner in the firm, as the case may be, commits an offence and is liable on conviction to a fine or to a term of imprisonment or to both the fine and imprisonment.

Removal of Names from Register	100. (1)If any proprietor or firm registered under this Part ceases to carry on the business in respect of which he or it is registered, it shall be the duty of the proprietor, or if he is dead, of his personal representative, or of the persons who were the partners in the firm when it ceased to carry on business, within one months after the business has ceased to be carried on, to send by post or deliver to the Directorate a notice stating that the proprietor or firm has ceased to carry on business, and if any person whose duty it is to give notice under this subsection fails to do so within the time, he commits an offence and is liable on conviction to a fine or to a term of imprisonment or to both the fine and imprisonment. (2)On receipt of the notice referred to in subsection (1), the Director of Corporate Affairs shall within 14 days expunge from the register the particulars relating to the proprietor or firm, as the case may be. (3)Where the Director of Corporate Affairs has reasonable cause to believe that any proprietor or firm registered under this Part is not carrying on business, he may send by registered post to the proprietor, or to any person who was a partner in the firm when it last carried on business, a notice informing the proprietor or partner, as the case may be, that, unless a reply to the notice is received within one month from the date of the notice the particulars relating to the proprietor or firm will be removed from the register. (4)If the Director of Corporate Affairs either– a. receives a reply to the notice to the effect that the proprietor or firm is not carrying on business; or b. does not within one month after sending the notice receive a reply to it, he shall expunge from the register the particulars relating to the proprietor or firm, as the case may be, and shall forthwith give

	notice thereof in writing to the proprietor or to any person who was a partner in the firm when it last carried on business.

Misleading Business Names	101. (1)When the business name under which any business is carried on contains the words– a. “National,” “Government” or any other word which, in the opinion of the Director of Corporate Affairs, suggests, or is calculated to suggest, that the business enjoys the patronage of the Government of Sierra Leone, or of any department thereof; or b. “Municipal,” “Chartered” or any other word which, in the opinion of the Director of Corporate Affairs, suggests or is calculated to suggest, connection with any municipality or other local council; or c. “Chamber of Commerce,” “Building Society” or “Co-operative”; then unless the consent of the Board of the National Investment Board has been first obtained, the Director of Corporate Affairs shall refuse to register the business name. (2) Where the business name under which any business is carried on is, in the opinion of the Director of Corporate Affairs, deceptive or objectionable in that it contains a reference direct or otherwise to any person, body, organisation, authority, practice or institution, or is otherwise unsuitable as a business name, the Director of Corporate Affairs shall refuse to register such business name. (3) Any person aggrieved by a decision of the Director of Corporate Affairs under this section may appeal to the High Court. (4) Any proprietor who, and every partner in any firm which, carries on any business under a business name which the Director has refused to register on any of the grounds mentioned in subsection (1) or subsection (2), and in the case of an application to the Minister where the decision of the Director of Corporate Affairs has been upheld, commits an offence and is

	liable on conviction to a fine and to a further fine in respect of every day during which such offence continues. (5) The registration of a business name under this Part shall not be construed as authorising the use of that name if the use thereof would be unlawful under the provisions of any other enactment or would constitute an infringement of any contractual or other right.

Publication of true names	102. Every proprietor or firm required by this Part to be registered shall, in all trade catalogues, trade circulars and business letters issued or sent from Sierra Leone to any person in or outside Sierra Leone, cause to be mentioned in legible characters the ordinary name of the sole proprietor or of every partner in the firm and where the proprietor or any partner has either before or after the coming into operation of this Act changed his name, or, being a woman, has changed her name in consequence of marriage, any name by which the proprietor or partner was formerly known: Provided that– (a) the proprietor or firm in default may apply to the High Court for relief against the disability imposed by this section, and the Court, on being satisfied that the default was due to accident or inadvertence or that on other grounds it is just and equitable to grant relief, may grant the relief applied for either generally or as respect any particular contract and on such conditions as the Court may impose; (b) if any action or proceeding is commenced by any other party against the proprietor or firm in default to enforce the rights of that other party in respect of the contract, nothing in this Part shall preclude the proprietor or firm from enforcing in that action or proceeding by way of counter-claim, set-off or otherwise, such rights as he or it may have against the other party in respect of the contract.

Electronic submission and acceptance of incorporation documents	103. (1)The Board may by regulation require any document to be lodged under this Act to be lodged electronically. (2) If a document is required to be lodged with the Director electronically, the Director of Corporate Affairs may allow the document to be lodged by an agent of the person who is required to lodge it, subject to such conditions, if any, as may from time to time be imposed by regulation. (3) A copy of a document lodged electronically with the Board under this Act, purporting to be certified by the Director as being a true copy of the original document, is, in the absence of evidence to the contrary, admissible in all legal proceedings as proof of the original document.

Refusal to register and reasons	104. (1) The Director of Corporate Affairs may refuse to register an entity (including a company, limited liability partnership, business name or cooperative) only on one or more of the following grounds— (a) the information or documentation submitted is incomplete, inconsistent, misleading, false, or otherwise fails to comply with the requirements of this Act or any regulations made under it; (b) the proposed name of the entity is prohibited, restricted, misleading or otherwise contravenes this Act or any other written law; (c) the objects or proposed activities of the entity are unlawful, prohibited or contrary to public policy under any written law; (d) the information provided is not capable of reasonable verification despite the Director having requested clarification or additional information; (e) the applicant has failed to pay any prescribed fee or penalty due under this Act; (f) registration would contravene any directive, restriction or sanction issued under any applicable anti-money laundering, counter-terrorist financing, or other international obligations binding on Sierra Leone; or (g) the application is made for an improper purpose or constitutes an abuse of the registration system. (2) Before refusing registration under subsection (1), the Director shall— (a) notify the applicant in writing of the proposed grounds for refusal; and

	(b) give the applicant a reasonable opportunity (not less than fourteen days) to rectify the deficiency or to make written representations. (3) A decision to refuse registration shall— (a) be made in writing; (b) state the specific ground or grounds relied upon; and (c) inform the applicant of the right to apply for internal review under section 16 and, if applicable, the right of appeal to the High Court. (4) The Director shall not refuse registration on any ground not specified in subsection (1) unless expressly authorised by regulations made under this Act.

Re-registration and conversion	105. (1)A company may, by re-registration under this Part, alter its status from— a. a private company to a public company ; b. a public company to a private company; c. a private limited company to an unlimited company; d. an unlimited company to a limited company; or e. a public limited company to an unlimited company. (2) a private company may, by re-registration under this Part, alter its status to a limited liability enterprise. (3)A limited liability partnership may, under this Part, alter its status — (a) by registration as a private company (b) by surrendering its certification to become a partnership.

Re-registration of private company as public company	106. (1)Subject to this section, a private company having a share capital may be re-registered as a public company if– a. a special resolution that it should be so re-registered is passed; and b. an application for re-registration is delivered to the Board together with the documents referred to in subsection (4). (2) The special resolution shall– (a) alter the company's memorandum so that it states that the company is a public company; (b) make such alterations in the memorandum as are necessary to bring it in conformity with the requirements of this Act with respect to the memorandum of a public company; and (c) make such alterations in the company's articles as are required in the circumstances. (3) The application shall be made to the Board in writing and signed by at least one director and the secretary of the Company. (4) The documents referred to in subsection (1) are– a. a printed copy of the memorandum and articles as altered in pursuance of the resolution; b. a copy of a written statement by the directors and the secretary certified on oath by them and showing that the paid-up capital of the company as at the date of the application is not less than 25 per cent of the share capital as at that date; c. a copy of the balance sheet of the company as at the date of the resolution or the preceding 6 months, whichever is later; d. a statutory declaration by a director and the secretary of the company–

	(i) that the special resolution required under this section has been passed; and (ii) that the company's net assets are not less than the aggregate of the paid-up share capital and un-distributable reserves; (iii)a copy of a prospectus or statement in lieu of a prospectus within 7 days of the passing of the resolution. (5) If the Board is satisfied that a company has complied with this section and may be re-registered as a public company, it shall– a. retain the application and other documents delivered to it under this section; b. register the application and other documents; and c. issue to the company a certificate of incorporation stating that the company is a public company. (6) Upon the issue of a certificate of incorporation - a. the company becomes a public company, and b. any alterations in the memorandum and articles set out in the resolution shall take effect. (7) The certificate of incorporation shall be *prima facie* evidence that– a. the requirements of this Act in respect of re-registered conversion and of matters relating thereto have been complied with; and b. the company is a public company. (8) A company shall not be converted under this section if it has previously been re-registered as an unlimited liability company.

Re-registration of public company as private company	107. (1)A public company may be re-registered as a private company if– a. a special resolution complying with subsection (2) that it should be so registered is passed and has not been cancelled by the court under this section; b. an application for the purpose signed by a director and the secretary of the company is delivered to the Board together with a printed copy of the memorandum and articles of the company as altered by the resolution; and either– (i)the period during which an application for the cancellation of the resolution under this section may be made has expired without such application having been made; or (ii) where such an application has been made, the application has been withdrawn, or an order has been made confirming the resolution, and a copy of that order has been delivered to the Board. (2) The special resolution shall alter the company's memorandum so that it states that the company is a private company and shall make such other alterations in the company's memorandum and articles as are requisite in the circumstances. (3) Where the special resolution is passed, an application may be made to the court for the cancellation of the resolution, and the application may be made by either– (a) the holders of not less in the aggregate than 5 *per cent* in the nominal value of the company's issued share capital, or any class thereof; or

	(b) not less than 5 per cent of the company's members, but excluding any person who has consented to or voted in favour of the resolution. (4) The application shall be made within 28 days after the passing of the resolution, and the applicant shall forthwith give notice to the Board and to the company. (5) On the hearing of the application, the court shall make an order either cancelling or confirming the resolution and may make all such orders or give such directions as it may think expedient in the circumstances. (6) The company shall, within 15 days of the making of the court's order, or within such other period as the court may by order directly, deliver to the Board a certified true copy of the order. (7) If a company fails to deliver to the Board a certified true copy of the order as required in subsection (6), the company and any officer of the company who is in default shall be liable to a default fine. (8) If the Board is satisfied that a company may be re-registered under this section, it shall– a. retain the application and other documents delivered to it under this section; b. register the application and other documents; and c. issue the company with a certificate of incorporation as a private company. (9) On the issue of the certificate– a. the company shall become a private company; and b. the alteration in the memorandum and articles set out in the resolution shall take effect accordingly.

	(10) The certificate shall be *prima facie* evidence that– (b) the requirements of this section in respect of re-registration and of matters precedent and incidental to it have been complied with; and (c) the company is a private company. (11) This section shall not apply to public companies whose members are more than 53.

Re-registration of company limited by shares as unlimited	108. Subject to this section, a company which is registered as limited may be re-registered as unlimited in pursuance of an application in that behalf complying with the requirements of this section. (2) A company shall be precluded from re-registering under this section if it is limited by virtue of re-registration under section 109. (3) A public company or a company which has previously been re-registered as an unlimited company shall not be re-registered under this section. (4) An application under this section shall be signed by a director and the secretary of the company and be lodged with the Board together with the documents specified in subsection (6). (5) The application shall set out such alterations in the company's memorandum and articles as are requisite to bring it into conformity with the requirements of this Act with respect to the memorandum and articles of a company to be formed as an unlimited company. (6) The documents to be lodged with the Board are as follows:– (a) a special resolution by the company being registered as unlimited, subscribed by or on behalf of all the members of the company; (b) a statutory declaration made by the directors of the company stating– (i)that the persons by whom or on whose behalf the special resolution is subscribed constitute the whole membership of the company; and (ii) that if any of the members have not subscribed that form themselves, that the directors have taken all reasonable steps to satisfy themselves that each person who subscribed to it on behalf of a member was lawfully empowered to do so; and

	(c) a printed copy of the memorandum and the articles incorporating the alterations set out in the application. (7) If the Board is satisfied that the company should be registered under this section as an unlimited company, it shall retain the application and other documents lodged with it under this section and– a. register the application and other documents; and b. issue to the company a certificate of incorporation appropriate to the status to be assumed by virtue of this section. (8) On the issue of the certificate– a. the status of the company, by virtue of the issue, shall be changed from limited to unlimited; b. the alterations in the memorandum set out in the application and any alteration in the articles so set out shall take effect as if duly made by resolution of the company; and c. this Act shall apply accordingly to the memorandum and articles as altered. (9) The certificate shall be *prima facie* evidence that the requirements in respect of the re-registration and of matters precedent and incidental to it have been complied with, and that the company was authorised to be re-registered under this Act in pursuance of this section and was duly so re-registered.

Re-registration of unlimited as limited by shares	109. (1)Subject to this section, a company which is registered as unlimited may be re-registered as limited by shares if a special resolution that it should be so re-registered is passed, and the requirements of this section are complied with in respect of the resolution or otherwise. (2)A company shall not, under this section, be re-registered as a public company or company limited by guarantee; and a company shall be precluded from re-registering under it if it is unlimited by virtue of re-registration under section 108. (3)The special resolution shall state the proposed share capital and provide for the making of the alterations in the memorandum as are necessary to bring it into conformity with the requirements of this Act with respect to the memorandum of a company so limited, and the alterations in the articles as are requisite in the circumstances. (4)An application for the company to be re-registered as a limited company, signed by a director and the secretary of the company, shall be lodged with the Board together with the necessary documents not earlier than the day on which the resolution was filed. (5)The documents to be lodged with the Board shall be a printed copy of the– a. memorandum as altered in pursuance of the resolution; and b. articles are so altered. (6)If the Board is satisfied that the company be re-registered under this section as a company limited by shares, it shall retain the application and other documents lodged with it under this section and register them, and it shall issue to the company a certificate of incorporation appropriate to the status to be assumed by the company by virtue of this section. (7)On the issue of the certificate–

	a. the status of the company shall, by virtue of the issue, change from unlimited to limited; and b. the alterations in the memorandum specified in the resolution and the alterations in, and additions to, the articles so specified shall take effect accordingly. (8)The certificate shall be *prima facie* evidence that the requirements of this section in respect of re-registration and of matters precedent and incidental to it have been complied with, and that the company was authorised to be re-registered in pursuance of this section and was duly so re-registered. (9) The re-registration of an unlimited company as a limited company shall not affect the rights and liabilities of the company in respect of any debt or obligation incurred, or any contract entered into, by, to, with, or on behalf of the company before the re-registration, and those rights or liabilities may be enforced in the manner provided by Part VI as in the case of a company registered pursuant to this Part.

Conversion from firm to limited liability partnership	110. (1)A firm may apply to convert to a limited liability partnership in accordance with this section if and only if the partners of the limited liability partnership to which the firm is to be converted comprise all the partners of the firm and no one else. (2)A firm that wishes to convert to a limited liability partnership shall do so by lodging with the Director a statement that complies with subsection (3). (3)A statement complies with this subsection if it is signed by all of the partners and contains the following information— (a) the name and unique identifying number, if applicable, of the partnership under this Act or other relevant written law; and, (b) the date (if any) on which the partnership was registered under this Act or other relevant written law ; (c) the name of the proposed limited liability partnership; (d) the proposed registered office of that partnership; (e) the name, identity document (if any), nationality, and usual place of residence of each person who will be a partner in that partnership; (f) if any of the persons referred to in subsection (e) is a body corporate—(i)the body's corporate name, (ii) the body's place of incorporation or registration, (iii) the body's registration number (if any), and, (iv) the registered office of the body to which all communications may be addressed; (g) the name, identity document (if any), nationality and the usual place of residence of each person who will be a manager of that partnership and, if any such person is a body corporate—(i) the corporate name, place of incorporation or registration number (if any) of the body; and (ii) the registered office of the body to which all communications may be addressed; and (h) such other information concerning the proposed limited liability partnership as may be prescribed by the regulations. (3) The statement shall be in a form prescribed or approved by the Director and be accompanied by the prescribed fee.

Conversion from private company to limited liability partnership	111. (1). A private company may apply to convert to a limited liability partnership in accordance with this section if and only if— (a) there is no security interest over the company's assets that is subsisting at the time of the application; and (b) the partners of the limited liability partnership to which it converts comprise all the shareholders of the company and no one else. (2) (a)A company may apply to convert to a limited liability partnership by lodging with the Director a statement that complies with subsection (b). (b)A statement complies with this subsection if it is signed by all the shareholders of the company and contains the following information— (i) the name and registration number of the company; (ii) the date on which the company was incorporated under this Act or the Companies Act of 2009 as amended; (iii) the name of the proposed limited liability partnership; (iv) the proposed registered office in that partnership; (v) the name, identity document (if any), nationality, and usual place of residence of each person who will be a partner in that partnership; (vi) if any of the persons referred to in subsection (b)(v) is a body corporate—(a)the body's corporate name;(b)the body's place of incorporation or registration;(c)the body's registration number (if any); and(d)the registered office of the body to which all communications may be addressed; (vii) the name, identity document (if any), nationality and the usual place of residence of each person who will be a manager of that partnership and, if any such person is a body corporate—(a)the corporate name, place of incorporation or registration number (if any) of the body; and (b) the registered office of the body to which all communications may be addressed; and (c) such other

Conversion from Limited Liability Partnership to Partnership	112. (1)A limited partnership may be converted into a general partnership by surrendering the certificate of its registration to the Director for cancellation. (2)The Director shall, within fourteen days after the surrender of a certificate of registration under subsection (1), publish the conversion in the *Gazette and* at least two local newspapers of wide circulation. (3) A limited partner who becomes a general partner after the conversion shall continue to be liable for any obligation incurred by the limited liability partnership before the conversion took effect; and shall be liable for any obligations of the general partnership that are incurred by the general partnership after the conversion.
	Promoters
Meaning of promoter	113. Any person who undertakes to take part in forming a company with reference to a given project and to set it going and who takes the necessary steps to accomplish that purpose, or who, with regard to a newly formed company, undertakes a part in raising capital for it, shall *prima facie* be deemed a promoter of the company; but a person acting in a professional capacity for persons engaged in procuring the formation of the company shall not be deemed to be a promoter.
Duties and liabilities of promoters	114. (1)A promoter stands in a fiduciary relationship to the company and shall observe the utmost good faith towards the company in any transaction with it or on its behalf and shall compensate the company for any loss suffered by reason of his failure to do so. (2)A promoter who acquired any property or information in circumstances in which it was his duty as a fiduciary to acquire it on behalf of the company shall account to the company for the

	property and for any profit which he may have made from the use of the property or information.
Transactions between promoter and entity	115. Any transaction between a promoter and the company may be rescinded by the company unless, after full disclosure of all material facts known to the promoter, the transaction shall have been entered into or ratified on behalf of the company– (a) by the company's board of directors, independent of the promoter; (b) by all the members of the company; or (c) by the company at a general meeting at which neither the promoter nor the holders of any shares in which he is beneficially interested shall vote on the resolution to enter into or ratify that transaction.
Relief from liability of promoters	116. No period of limitation shall apply to any proceedings brought by the company to enforce any of its rights under this section, but in such proceedings the court may relieve a promoter in whole or in part and on such terms as it thinks fit from liability if, in all the circumstances, including lapse of time, the court thinks it equitable to do so.
	PART V – CAPACITY, POWERS, ACTS, AND COMPANY CONTRACTS
	Capacity and powers of a company

Powers of companies and full capacity	117. Except to the extent that the company's memorandum or any enactment otherwise provides, every company shall, for the furtherance of its authorised business or objects, have all the powers of a natural person of full capacity.

Effect of ultra vires acts and protection of third parties. Protection of persons dealing in good faith.	118. (1) A company shall not carry on any business not authorised by its memorandum and shall not exceed the powers conferred upon it by its memorandum or this Act. (2) A breach of subsection (1) may be asserted in any proceedings under subsection (4) or Part XIV. (3) Notwithstanding subsection (1), no act of a company and no conveyance or transfer of property to or by a company shall be invalid by reason of the fact that the act, conveyance or transfer was not done or made for the furtherance of any of the authorized business of the company or that the company was otherwise exceeding its objects or powers. (4) On the application of– (a) any member of the company; or (b) the holder of any debenture secured by a floating charge over all or any of the company's property or by the trustee of the holders of such debentures, the court may prohibit by injunction, the doing of any act or the conveyance or transfer of any property in breach of subsection (1). (5) If the transactions sought to be prohibited in any proceeding under subsection (4) are being, or are to be performed or made pursuant to any contract to which the company is a party, the court may, if it thinks it to be equitable and if all the parties to the contract are parties to the proceedings, set aside and prohibit the performance of the contract, and may allow to the company or to the other parties to the contract compensation for any loss or anticipated profits to be derived from the performance of the contract.

	(6) In favour of a person dealing with a company in good faith, any transaction decided on by the directors is deemed to be one which is within the capacity of the company to enter into, and the power of the directors to bind the company is deemed to be free of any limitation under the memorandum or articles (7) A party to a transaction decided on under subsection (6) is not bound to enquire as to the capacity of the company to enter into it or as to any limitation on the powers of the directors and is presumed to have acted in good faith unless the contrary is proved.

	Constructive notice of registered documents
Abolition of constructive notice of registered documents	119. Subject to this Act, regarding particulars in the register, or particulars of charges, a person shall not be deemed to have knowledge of the contents of the memorandum and articles of a company or of any other particulars, documents, or the contents of documents merely because such particulars or documents so registered by the Board or referred to in any particulars or documents so registered, are available for inspection at the office of the company.
	Effect of memorandum and articles
Effect of memorandum and articles as binding contract	120. (1) Subject to this Act, on the incorporation of a company, the memorandum and articles shall bind the company and the members to the same extent as if they respectively had been signed and sealed by each member and contained covenants on the part of each member to observe all the provisions of the memorandum and the articles. (2) All money payable by any member to the company under the memorandum or articles shall be a debt due from him to the company and shall be of the nature of a specialty debt. (3) Where the memorandum or articles empower any person to appoint or remove any director or other officer of the company, the power shall be exercisable by that person, notwithstanding that he is not a member or officer of the company. (4) In any action by any member or officer to enforce any obligation owed under the memorandum or articles to him and any other member or officer, the member or officer may, if any other member or officer is affected by the alleged breach of such obligation with his consent, sue in a representative capacity on behalf of himself and all other members or officers who may be affected, other than any who are defendants and the provisions of Part XIII shall apply.

	Member's right to copy of memorandum and articles
Member's right to copies of memorandum and articles	121. (1) A company shall, on being so required by any member, send to him a copy of the memorandum and of the articles subject to payment, in case of a copy of the memorandum and the articles for NLe20 or such amount as the company may determine. (2) If a company defaults in complying with subsection (1) and upon notification in writing to the Board by a member, the company and every officer of the company would be in default and the Board shall give a direction to the Company and its members for a copy of the memorandum and articles to be made available to the member within the period specified in the directive failing which the company and every member who is in default shall be liable to a default fine for each day that the default continues.
Copies of memorandum issued to embody alterations	122. (1) Where an alteration is made in the memorandum of a company, every copy of the memorandum issued after the date of the alteration shall be in accordance with the alteration. (2) If, where the alteration has been made, the company at any time after the date of the alteration issues any copies of the memorandum which are not in accordance with the alteration, it shall be liable to a fine for each copy so issued, and every officer of the company who is in default shall be liable to the same penalty.
	Restriction on alteration of memorandum.

Alteration of memorandum and articles	123. (1) A company may not alter the conditions contained in its memorandum except in the cases and in the manner and to the extent for which express provision is made in this Act. (2) Only those provisions which are required by section 51 or by any other specific provision contained in this Act, to be stated in the memorandum of the company concerned, shall be deemed to be conditions contained in its memorandum.
Alteration of memorandum.	124. (1) The name of the company shall not be altered except with the consent of the Board in accordance with section 58. (2) The business which the company is authorised to carry on or, if the company is not formed for the purpose of carrying on business, the objects for which it is established may be altered or added in accordance with this Act. (3) Any restriction on the powers of the company may be altered in the same way as the business or object of the company. (4) Any other condition of the memorandum may be altered in accordance with section 125 or as otherwise provided in this Act.

Mode of alteration of business or objects.	125. (1) A company may, at a meeting of which notice in writing has been duly given to all members (whether or not otherwise entitled to it), by special resolution, alter the provisions of its memorandum with respect to the business or objects of the company. (2) If an application is made to the court in accordance with this section for the alteration to be cancelled, it shall not have effect except in so far as it is confirmed by the court. (3) An application under this section may be made to the court– (a) by the holders of not less in the aggregate than 10 per cent in nominal value of the company's issued share capital or any class thereof or, if the company is not limited by shares, not less than 10 per cent of the company's members; or (b) by the holders of not less than 10 per cent of the company's debentures entitling the holders to object to alterations of its objects: but an application shall not be made by any person who has consented to or voted in favour of the alteration. (4) An application under this section shall be made not later than 14 days after the date on which the resolution altering the company's business or objects was passed and may be made on behalf of the persons entitled to make the application by one or more of their number as they may appoint in writing for the purpose. (5) The court may, on application, by order extend the period for the making of the application. (6) On the hearing of an application under this section, the court may make an order confirming or cancelling the alteration either wholly or in part and on such terms and conditions as it thinks fit, and may adjourn the proceedings in order that an arrangement may be made to the satisfaction of the court for the purchase of

	the interests of dissentient members; and the court may give such directions and make such orders as it thinks expedient for facilitating or carrying into effect such an arrangement: (7) No part of the capital of the company shall be expended on any purchase referred to in subsection (6). (8) The debentures entitling the holders to object to alterations of a company's business or objects shall be any debentures secured by a floating charge. (9) The special resolution altering a company's business or objects shall require the same notice to the holders of such debentures as to members of the company; and in default of any provisions regulating the giving of notice to such debenture holders, the provisions of the company's articles regulating the giving of notice to members shall apply. (10) Where a company passes a resolution altering its business or objects and– (a) an application is thereafter made to the court for its cancellation under this section, the company shall forthwith give notice to the Board of the making of the application, and thereafter there shall be delivered to the Board within 15 days from the date of its making– (i) a certified true copy of the order in the case of refusal to confirm the resolution; or (ii) a certified true copy of the order in the case of confirmation of the resolution together with a printed copy of the memorandum as thereby altered; (b) no application is made with respect to the alteration to a court under this section, the company shall, within 15 days from the end of the period for making such an application deliver to the Board a copy of the resolution as passed; and if the Board–

	(i) is satisfied, a printed copy of the memorandum as altered by the resolution shall forthwith be delivered to it; (ii) is not satisfied, it shall give notice in writing to the company of its decision and an appeal from its decision shall thereafter lie to the court at the suit of any person aggrieved, if made within 21 days from the date of the receipt by the company of the notice of the rejection, or within such extended time as the court may allow. (11) The court may, at any time, extend the time for the delivery of documents to the Board under paragraph (a) of subsection (10) for such period as the court may think proper. (12) If a company defaults in giving notice or delivering any document to the Board as required by subsection (10), the company and every officer of the company who is in default shall be liable to a default fine. (13) The validity of an alteration of the provision of a company's memorandum with respect to the business or objects of the company shall not be questioned on the ground that it was not authorised by subsection (1) except in proceedings taken for the purpose (whether under this section or otherwise) before the expiration of 21 days after the date of the resolution in that behalf; and where the proceedings are taken otherwise than under this section, subsections (9), (10), and (11) shall apply in relation thereto as if they had been taken under this section, and as if an order declaring the alteration invalid were an order cancelling or an order dismissing the proceedings were an order confirming the alteration.

Alteration of articles.	126. (1) Subject to the provisions of this Act and to the conditions of the other provisions contained in its memorandum, a company may by special resolution alter or add to its articles. (2) Any alteration or addition made in the articles shall be filed with the Board subject to the provisions of this Act and be as valid as if originally contained therein and be subject, in like manner, to alteration by special resolution.
Effect of alteration of company's members	127. (1) A member of a company is not bound by an alteration made in the memorandum or articles of the company after the date on which he became a member, if and so far as the alteration– (a) requires him to take or subscribe for more shares than the number held by him at the date on which the alteration is made; or (b) in any way increases his liability as at that date to contribute to the company's share capital or otherwise to pay money to the company. (2) Subsection (1) operates notwithstanding anything in the memorandum or articles but does not apply in a case where the member agrees in writing, either before or after the alteration is made, to be bound by the alteration.
	PART VI – ACTS BY OR ON BEHALF OF THE COMPANY

Division of powers between general meeting and board of directors	128. (1) A company shall act through its members in a general meeting or its board of directors or through officers or agents appointed by or under authority derived from the members in general meeting or the board of directors. (2) Subject to this Act, the respective powers of the members in the general meeting and the board of directors shall be determined by the company's memorandum or articles. (3) Except otherwise provided in the company's memorandum or articles, the business of the company shall be managed by the board of directors, who may exercise all such powers of the company as are not by this Act or the memorandum required to be exercised by the members in general meeting. (4) Unless otherwise provided in the memorandum, the board of directors, when acting in good faith and with due diligence within the powers conferred upon them by this Act or the memorandum or articles, shall not be bound to obey the directions or instructions of the members in general meeting. (5) Notwithstanding subsection (3), the members in a general meeting may– (a) act in any matter if the board of directors are disqualified or are unable to act by reason of a deadlock in the board or otherwise; (b) ratify or confirm any action taken by the board of directors; (c) make recommendations to the board of directors regarding action to be taken by the board; or (d) institute legal proceedings in the name and on behalf of the company if the board of directors refuse or neglect to do so.

	(6) No alteration of the memorandum or articles shall invalidate any prior act of the board of directors which would have been valid if that alteration had not been made.

Delegation to committees and managing directors	129. Unless otherwise provided in the memorandum or articles, the board of directors may– (a) exercise their powers through committees consisting of such member or members of their number as they think fit; and (b) from time to time appoint one or more of their members to the office of managing director and may delegate all or any of their powers to the managing director.
Acts of company	130. Any act of the members in a general meeting, the board of directors, or a managing director while carrying on in the usual way the business of the company shall be treated as the act of the company itself; and accordingly the company shall be criminally and civilly liable therefore to the same extent as if it were a natural person; but– (a) the company shall not incur civil liability to any person if that person had actual knowledge at the time of the transaction in question that the general meeting, board of directors, or managing director, as the case may be, had no power to act in the matter or had acted in an irregular manner or if, having regard to his position with, or relationship to, the company, he ought to have known of the absence of power or of the irregularity; (b) If, in fact, a business is being carried on by the company, the company shall not escape liability for acts undertaken in connection therewith merely because the business in question was not among the businesses authorised by the company's memorandum.

Acts of company, officers, and agents	131. (1) Except as provided in section 133, the acts of any officer or agent of a company shall not be deemed to be acts of the company, unless– (a) the company, acting through its members in general meeting, board of directors, or managing director, shall have expressly or impliedly authorised the officer or agent to act in the matter; or (b) the company, acting in paragraph (a), shall have represented the officer or agent as having its authority to act in the matter, in which event the company shall be civilly liable to any person who has entered into the transaction in reliance on such representation, unless such person had actual knowledge that the officer or agent had no authority or unless, having regard to his position with, or relationship to the company, he ought to have known of such absence of authority. (2) The authority of an officer or agent of the company may be conferred prior to action by him or by subsequent ratification; and knowledge of action by such officer or agent and acquiescence therein by all the members for the time being entitled to attend general meetings of the company or by the directors for the time being or by the managing director for the time being shall be equivalent to ratification by the members in general meeting, board of directors, or managing director, as the case may be. (3) Nothing in this section shall derogate from the vicarious liability of a company for the acts of its employees while acting within the scope of their employment.

Presumption of regularity	132. Any person having dealings with a company or with someone deriving title under the company shall be entitled to make the following presumptions:– (a) that the company's memorandum have been duly complied with; (b) that every person described in the particulars filed with the Board pursuant to this Act as a director, managing director or secretary of the company, or represented by the company acting through its members in general meeting, board of directors or managing director, as an officer or agent of the company, has been duly appointed and has authority to exercise the powers and perform the duties customarily exercised or performed by a director, managing director, or secretary of a company carrying on business of the type carried on by the company or customarily exercised or performed by an officer or agent of the type concerned; (c) that the secretary of the company, and every other officer or agent of the company having authority to issue documents or certified copies of documents on behalf of the company has the authority to warrant the genuineness of the documents or the accuracy of the copies so issued; (d) that a document has been duly sealed by the company if it bears what purports to be the seal of the company, attested by what purports to be the signatures of two persons who, in accordance with paragraph (b), can be assumed to be a director and the secretary of the company, and the company and those deriving title under it shall be estopped from denying the truth of any such assumption, but– (a) a person shall not be entitled to make such presumptions if he had actual knowledge to the contrary or if, having regard to his

	position with, or relationship to, the company, he ought to have known the contrary; (b) a person shall not be entitled to assume that any one or more of the directors of the company have been appointed to act as a committee of the board of directors or that an officer or agent of the company has the company's authority by reason only that the company's memorandum or articles provide that authority to act in the matter may be delegated to a committee or to an officer or agent.

Liability not affected by fraud or forgery of officer	133. Where, in accordance with this Part a company would be liable to a third party for the acts of any officer or agent, the company shall, except where there is collusion between the officer or agent and the third party, be liable notwithstanding that the officer or agent has acted fraudulently or forged a document purporting to be sealed by or signed on behalf of the company.
	Company's contracts
Form of contract	134. (1) Contracts on behalf of a company may be made, varied or discharged as follows– (a) any contract which, if made between companies or a company and an individual would be on the part of the company be required by law to be in writing under seal, or which could be varied, or discharged only by writing under seal, may be made, varied or discharged, as the case may be, in writing signed in the name or on behalf of the company. (2) A contract made according to this section shall be effectual in law, and shall bind the company and its successors and all other parties thereto, their heirs, executors, or administrators, as the case may be; and may be varied or discharged in the same manner in which it is authorised by this section to be made.
Pre-incorporation contracts	135. (1) Any contract or other transaction purporting to be entered into by the company or by any person on behalf of the company prior to its formation may be ratified by the company after its formation and thereupon the company shall become bound by and entitled to the benefit thereof as if it had been in existence at the date of such contract or other transaction and had been a party thereto. (2) Prior to ratification by the company, the person who purported to act in the name of or on behalf of the company shall, in the absence of express agreement to the contrary, be personally

	bound by the contract or other transaction and be entitled to the benefit thereof.
Common seal and alternative execution	136. A company may have a common seal but need not have one, the design and use of that seal shall be regulated by the company's articles, and it shall have its name engraved in legible characters on the seal.

Official seal for use abroad	137. (1) A company whose objects require or comprise the transaction of business in foreign countries may, if authorised by its articles, employ digital authentication for the execution of any deed or other document in any territory, district, or place outside Sierra Leone. (2) For the purposes of subsection (1), "digital authentication" means— (a) a secure electronic signature; (b) a cryptographic seal or equivalent digital credential issued or recognised by the Board; or (c) any other form of electronic authentication prescribed by regulations, which uniquely identifies the company and is capable of verification. (3) A company authorised under subsection (1) may, by instrument executed in accordance with section…….. appoint any person in any territory, district, or place outside Sierra Leone to apply the company's digital authentication to any deed or other document to which the company is a party in that territory, district, or place. (4) As between the company and any person dealing with the appointed agent, the authority of the agent shall continue— (a) for the period, if any, specified in the instrument conferring the authority; or (b) if no period is specified, until notice of the revocation or determination of the agent's authority has been given to the person dealing with the agent. (5) A person applying the company's digital authentication under this section shall, by electronic or written certification attached to or logically associated with the deed or other document, state—

	(a) the date on which the authentication was applied; and (b) the place at which it was applied.

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Power of attorney	138. (1) A company may, by deed, empower any person, either generally or in respect of any specified matter, as its attorney, to execute deeds on its behalf in any place within or outside Sierra Leone. (2) A deed signed by a person empowered as provided in subsection (1) shall bind the company and have the same effect as it would have if it were a deed signed by the company.
Bills of exchange and promissory notes	139. (1) A bill of exchange or promissory note shall be deemed to have been made, accepted, or endorsed if made, or by or on account of a company. (2) The company and its successor shall be bound thereby if the company is in accordance with section 130, liable for the acts of those who made, accepted or endorsed it in its name or on its behalf or account, and the signature by the director or the secretary on behalf of the company shall be deemed to be a signature by procuration for the purposes of section 25 of the Bills of Exchange Act.
Authentication	140. (1)Any document or proceeding requiring authentication by a company may be signed by a director, the secretary or any other officer of the company authorised by the board for that purpose, and need not be executed under the common seal or as a deed unless the articles or any other law expressly requires otherwise. (2)An electronic signature shall be deemed to satisfy any requirement for signing or authentication under this section. (3)A document or proceeding requiring authentication by a company may be signed by a director, secretary or other authorised officer of the company and need not be under its common seal.
	PART VII – DIGITAL AND ELECTRONIC TRANSACTIONS

Legal recognition of electronic filings and Board records	141. (1) Any filing, return, notice, application, or other document required to be delivered to the Board under this Act may be delivered in electronic form through the Board's designated digital platform. (2) An electronic filing made in accordance with this Act and accompanying regulations shall have the same legal effect as a filing made in paper form. (3) The electronic register maintained by the Board shall be the official record of companies and allied matters for the purposes of this Act. (4) An extract, certificate, or copy produced from the electronic register and certified by the Board, whether by electronic signature, digital watermark, or encrypted code, shall be admissible in evidence as a true copy of the original
Electronic signatures for Board and company purposes	142. (1) Where this Act requires a document to be signed, that requirement is satisfied by an electronic signature. (2) An electronic signature shall not be denied legal effect, validity, or enforceability solely because it is in electronic form. (3) For the purposes of this section, an electronic signature shall have the meaning assigned to it under the Electronic Transactions Act 2019 or any other enactment governing electronic communications, digital signatures, or data management for the time being in force. (4) The Board may prescribe acceptable forms of electronic signature for Board purposes.

Electronic certificates and verification mechanisms	143. (1) The Board may issue certificates of incorporation, registration, re-registration, or compliance in electronic form. (2) An electronic certificate issued under subsection (1) has the same legal effect as a certificate issued under seal. (3) Every electronic certificate shall include a unique verification feature, such as a Quick Response (QR) code or a digital verification link, enabling third parties to verify its authenticity and current status in real-time.
Electronic service of notices and proof of service	144. (1) A notice or document required or permitted to be served under this Act may be served electronically. (2) Electronic service is effected where the notice or document is transmitted to– (a) an electronic address provided by the recipient for that purpose; or (b) such other electronic systems as may be prescribed. (3) Proof of transmission in electronic form is proof of service unless the contrary is shown. (4) A company may specify in its articles the manner in which electronic service is to be effected.
Electronic payment of statutory fees	145. (1) All fees, administrative penalties, and charges payable under this Act shall be paid electronically through the Board's integrated payment gateway. (2) An electronic receipt issued by the Board is proof of payment for the purposes of this Act. (3) Confirmation of payment by the electronic system shall be deemed sufficient proof of payment for the processing of any application.

Virtual and hybrid general meetings	146. (1) A company may hold its general meeting wholly or partly by electronic means. (2) A virtual or hybrid meeting is validly held if the electronic platform used allows participants to: (a) be identified as entitled to attend; (b) hear and be heard by all other participants; and (c) exercise voting rights in real-time or through a secure electronic voting system. (3) Participation by electronic means shall constitute "presence" for the purposes of determining a quorum. (4) The articles of a company may make further provision for virtual or hybrid meetings.
Electronic notices of meetings	147. (1) Notice of a meeting may be given electronically. (2) An electronic notice shall state– (a) the date and time of the meeting; (b) the electronic platform or access details; (c) the business to be transacted; and (d) the manner of voting. (3) Failure of an electronic notice to reach a recipient does not invalidate the meeting where the company has complied with prescribed delivery requirements.

Electronic voting and proxies	148. (1) Voting at a meeting may be conducted electronically. (2) A proxy may be appointed by electronic means. (3) An electronic proxy appointment has the same legal effect as a proxy appointment made in writing. (4) The Board may prescribe standards for electronic voting and proxy systems.
Electronic recordkeeping and minutes	149. (1) All minutes, resolutions, and statutory registers required to be kept by a company under this Act may be maintained in electronic form. (2) Where records are kept electronically, the company must ensure they are: (a) capable of being reproduced in legible hard-copy form; and (b) protected against unauthorized alteration or loss of data. (3) A requirement for a director or secretary to sign minutes is satisfied by an electronic signature.
Cybersecurity and System Outages	150. (1) The Board shall implement technical and organizational measures to ensure the integrity, availability, and confidentiality of the electronic Board, in alignment with the Cyber Security and Crime Act, 2021 or any other law for the time being in force governing the security of information systems and the protection of electronic data. (2) In the event of a system failure or cyber incident, the Director may: (a) extend any statutory timeline for filing; or (b) permit alternative filing methods, including paper submissions, for the duration of the outage.

	(3) A filing made under subsection (1) shall be treated as compliant if made within the period specified by the Board.
Cybersecurity and system integrity	151. (1) The Board shall implement appropriate technical and organisational measures to secure electronic systems and Board data. (2) Measures under subsection (1) shall align with the Cyber Security and Crime Act 2021. (3) A person who unlawfully interferes with electronic Board systems commits an offence under the Cyber Security and Crime Act 2021.
Relationship with the Electronic Transactions Act 2019	152. (1) This Part shall be read together with the Electronic Transactions Act 2019. (2) Where there is inconsistency between this Act and the Electronic Transactions Act 2019 in relation to electronic records or signatures, this Act prevails for company and Board matters.

Principle of Data Re-use	153. (1) Where a company has submitted data or documents to the Board in electronic form, no other public authority integrated with the One-Stop Shop shall require the company to re-submit the same information. (2) The Board shall, subject to data protection laws, provide secure API (Application Programming Interface) access to authorized public authorities to verify company data in real-time.
Automated Decision-Making	154. (1) The Board may use automated systems to process and determine applications for name reservations, annual returns, and simple incorporations where the application meets all prescribed objective criteria. (2) An automated decision shall have the same legal force as a decision made by a Board officer. (3) Any person aggrieved by an automated decision shall have the right to a manual review by a Board officer upon request.
Designated Electronic Service Address	155. (1) Every company shall, at the time of incorporation or upon its first filing under this Act, provide a "Designated Electronic Service Address" (DESA). (2) Service of any legal process, notice, or document by the Board or a third party to the DESA shall be deemed valid and effective service under this Act. (3) It is the responsibility of the company to maintain the functionality of the DESA and to notify the Board within 24 hours of any change to said address.

Data Sovereignty and Security	156. (1) The Board may store its digital records in a cloud computing environment, provided that the primary data or a real-time mirrored backup is hosted on servers located within the Republic of Sierra Leone or in a jurisdiction with reciprocal data protection standards approved by the Minister. (2) The Board shall undergo an annual independent cybersecurity audit to ensure the resilience of the digital infrastructure against unauthorized access or data breaches.

Data governance and protection.	157. (1) Personal data collected, processed, or shared under this Act shall be processed only for the purposes of business registration, compliance monitoring, and law enforcement functions expressly provided for by this Act or by any other written law. (2) The Board shall designate a Data Protection Officer who shall be responsible for— (a) overseeing the Board's compliance with this section; (b) providing guidance to the Board on data processing activities; (c) acting as the point of contact for data subjects and the relevant data protection authority; and (d) conducting periodic data protection impact assessments. (3) The Board shall maintain technical and organisational security measures, consistent with the Cybersecurity and Crime Act 2021 and any data protection legislation in force in Sierra Leone, to protect personal data against— (a) unauthorised or unlawful processing; (b) accidental or unlawful destruction, loss, or alteration; (c) unauthorised disclosure or access; and (d) such other risks as may be prescribed. (4) The following data retention periods shall apply unless otherwise prescribed by regulation— (a) registration and incorporation records: permanently; (b) beneficial ownership records: ten years from the date of any change; and

	(c) compliance and enforcement records: seven years from the date of resolution. (5) Any individual whose personal data is held by the Board shall have the right to— (a) access that data upon written request; and (b) request correction of inaccurate or incomplete data, and the Board shall respond to such a request within twenty-one days. (6) Where a data protection law is enacted in Sierra Leone after the commencement of this Act, the provisions of this section shall be construed subject to, and supplemented by, that law.

Admissibility of Digital Search Reports	158. (1) A "Digital Search Report" generated by the Board's electronic system and bearing a unique transaction ID or digital seal shall be prima facie evidence of the facts stated therein at the time of generation. (2) All financial institutions and public authorities in Sierra Leone shall accept such digital reports for the purposes of "Know Your Customer" (KYC) and due diligence without requiring a physical certified true copy.
	PART VIII –MEMBERSHIP OF COMPANY
Definition of "member."	159. (1) The subscribers of the memorandum of a company shall be deemed to have agreed to become members of the company, and on its registration, shall be entered as members in its register of members. (2) Every other person who agrees in writing to become a member of a company, and whose name is entered in its register of members, shall be a member of the company. (3) In the case of a company having a share capital, each member shall be a shareholder of the company and shall hold at least one share.

Capacity to be a member.	160. (1) On the commencement of this Act, an individual shall not be capable of becoming a member of a company if– (a) he is of unsound mind and has been so found by a court; (b) he is an undischarged bankrupt, or (c) he is less than 18 years of age. (2) After the commencement of this Act, a person who is less than 18 or a person under the age of 18 years shall not be counted for the purpose of determining the legal minimum number of members of a company. (3) A body corporate in liquidation shall not be capable of becoming a member of a company. (4) Where, at the commencement of this Act, any person falling within paragraph (a) of subsection (1) is a member of a company by reason of being a shareholder of the company, his share shall vest in his committee or trustee, as the case may be. (5) Where after the commencement of this Act, any shareholder purports to transfer any shares to a person falling within subsection (1), the purported transfer shall not vest the title in the shares in that person but the title shall remain in the purported transferor or his personal representative who shall hold the shares in trust for that person during the period of his incapacity. (6) Where a member dies intestate, his personal representative shall hold his shares in trust for the persons referred to in subsection (1) during the period of their incapacity. (7) Membership of a company with shares shall continue until– (a) a valid transfer of all shares held by the member is registered by the company;

	(b) all the shares are transmitted to another person by operation of law; (c) the shares are forfeited for non-payment of calls under a provision in the memorandum; or (d) until the member dies. (8) Membership of a company limited by guarantee shall continue until– (a) the member dies or validly retires; or (b) the member is excluded from membership in accordance with any provision in the memorandum or articles.

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Right attend meetings and vote	161. Subject to section 214, every member shall, notwithstanding any provision in the articles, have a right to attend any general meetings of the company and to speak and vote on any resolution before the meeting; but the articles may provide that a member shall not be entitled to attend and vote unless calls or other sums payable by him in respect of shares in the company have been paid.
Companies ceasing to have members	162. If at any time a company ceases to have the number of members provided in section 41 and it carries on business for more than 6 months without at least one member, every person who is a director of the company during the time it so carries on business after those 6 months shall be jointly and severally liable for the payment of all the debts and liabilities of the company incurred during that period.
Personation of members	163. If any person falsely and deceitfully personates any member of a company and thereby obtains or endeavours to obtain any benefit due to the member, he shall be guilty of an offence.
	Register of members

Obligation to keep up and enter the register.	164. (1) Every company shall keep a register of its members and enter in it the particulars required by this section. (2) There shall be entered in the register– (a) the names and addresses of the members; (b) the date on which each person was registered as a member; and (c) the date at which any person ceased to be a member. (3) The following applies in the case of a company having a share capital: (a) with the names and addresses of the members, there shall be entered a statement– (i) of the shares held by each member, distinguishing each share by its number (so long as the share has a number) and, where the company has more than one class of issued shares, by class; and (ii) of the amount paid or agreed to be considered as paid on the shares of each member; (b) where the company has converted any of its shares into stock and given notice of the conversion to the Board, the register shall show the amount and class of stock held by each member, instead of the amount of shares and the particulars relating to shares specified in paragraph (a). (4) In the case of a company which does not have a share capital but has more than one class of members, there shall be entered in the register, with the names and addresses of the members, the class to which each member belongs.

	(5) If a company defaults in complying with this section, the company and every officer of it who is in default is liable to a default fine and, for a continued contravention. (6) Any entry relating to a former member of the company may be removed from the register after the expiration of 10 years from the date on which he ceases to be a member. (7) Liability incurred by a company from the making or deletion of an entry in its register of members, or from a failure to make or delete the entry, is not enforceable more than 10 years after the date on which the entry was made or deleted or, in the case of such failure, the failure first occurred.

Location of register.	165. (1) A company's register of members shall be kept at its registered office, except that– if the company arranges with some other person for the making up of the register to be undertaken on its behalf by that other person, it may be kept at the office of the other person at which the work is done. (2) Subject to this section, every company shall send notice in the prescribed form to the Board of the place where its register of members is kept, and of any change in that place. (3) The notice need not be sent if the register has, at all times since it came into existence, been kept at the company's registered office. (4) If a company defaults for 14 days in complying with subsection (2), the company and every officer of it who is in default is liable to a fine.
Index of members.	166. (1) Every company having more than 50 members shall, unless the register of members is in such a form as to constitute in itself an index, keep an index of the names of the members of the company and shall, within 14 days after the date on which any alteration is made in the register of members, make any necessary alteration in the index. (2) The index shall, in respect of each member, contain a sufficient indication to enable the account of that member in the register to be readily found. (3) The index shall be at all times kept at the same place as the register of members. (4) If default is made in complying with this section, the company and every officer of it who is in default is liable to a fine.

Entries in register in relation to share warrants.	167. (1) On the issue of a share warrant, the company shall strike out of its register of members the name of the member then entered in its register as holding the shares specified in the warrant as if he had ceased to be a member, and shall enter in the register the following particulars:– (a) the fact of the issue of the warrant; (b) a statement of the shares included in the warrant, distinguishing each share by its number, so long as the share has a number; and (c) (c) the date of the issue of the warrant. (2) Subject to the company's articles, the bearer of a share warrant is entitled, on surrendering it for cancellation, to have his name entered as a member in the register of members. (3) The company shall be responsible for any loss incurred by any person by reason of the company entering in the register the name of a bearer of a share warrant in respect of the shares specified in it without the warrant being surrendered and cancelled. (4) Until the warrant is surrendered, the particulars specified in subsection (1) are deemed to be those required by this Act to be entered in the register of members and on the surrender, the date of the surrender shall be entered. (5) Subject to this Act relating to the directors' share qualification, the bearer of a share warrant may, if the articles of the company so provide, be deemed a member of the company within the meaning of this Act, either to the full extent or for any purposes defined in the articles.

Inspection of register and index.	168. (1) Except when the register of members is closed under this Act, the register and the index of members' names shall, during business hours, be open to the inspection of any member of the company without charge, and of any other person on payment of the appropriate charge. (2) The reference to business hours is subject to such reasonable restrictions as the company in general meeting may impose, but not less than 2 hours in each day is to be allowed for inspection. (3) Any member of the company or other person may require a copy of the register, or of any part of it, on payment of the appropriate charge; and the company shall cause any copy so required by a person to be sent to him within 10 days beginning with the day next following that on which the requirement is received by the company. (4) The appropriate charge is– (a) under subsection (1), such sum as the company may determine for each inspection; and (b) under subsection (3), NLe 5 or such sum as the company may determine for every page required to be copied. (5) If an inspection required under this section is refused, or if a copy so required is not sent within the proper period, the company and every officer of it who is in default shall be liable in respect of each default to a fine. (6) In the case of such refusal or default, the court may, by order, compel an immediate inspection of the register and index, or direct that the copies required be sent to the persons requiring them.

Non-compliance with sections 165, 166 and 168.	169. Where, under paragraph (b) of subsection (1) of section 165, the register of members is kept at the office of a person other than the company, and by reason of any default of his, the company fails to comply with– (a) subsection (2) of section 165; (b) subsection (3) of section 166; or (c) section 168; or with any requirement of this Act as to the production of the register, that other person is liable to the same penalties as if he were an officer of the company who was in default, and the power of the court under subsection (6) of section 168 extends to the making of orders against that other person and his officers and servants.
Power to close the register.	170. A company may, on giving notice by advertisement in two newspapers with wide circulation, close the register of members for any time or times not exceeding in the whole 30 days in each year.

Power of court to rectify register.	171. (1) If– (a) the name of any person is, without sufficient cause, entered in or omitted from a company's register of members; or (b) default is made, or unnecessary delay takes place in entering in the register the fact of any person having ceased to be a member, the person aggrieved, or any member of the company, or the company, may apply to the Board for rectification of the register. (2) The Board may either refuse the application or give a directive for rectification of the register. (3) On an application under subsection (1), the Board may decide any question relating to the title of a person who is a party to the application to have his name entered in or omitted from the register, whether the question arises between members or alleged members, or between members or alleged members on the one hand and the company on the other hand, and generally may decide any question necessary or expedient to be decided for rectification of the register. (4) In the case of a company required by this Act to send a list of its members to the Board, the Board, when giving the directive for rectification of the register, shall by its directive require that notice of the rectification be filed with the Board after the same is effected.
Trust not to be entered on the register.	172. No notice of any trust, express, implied or constructive shall be entered on the register or be receivable by the Board.
Register to be evidence.	173. The register of members is prima facie evidence of any

	matters which is by this Act directed or authorised to be entered in it.
	Liability of members
Liability of members	174. (1) Prior to the winding up of a company a member of the company with shares shall be liable to contribute the balance, if any, of the amount payable in respect of the shares held by him in accordance with the terms of the agreement under which the shares were issued or in accordance with a call validly made by the company pursuant to its articles. (2) Where any contribution has become due and payable by reason of a call validly made by the company pursuant to the articles or where, under the terms of any agreement with the company, a member has undertaken personal liability to make future payments in respect of shares issued to him, the liability of the member shall continue notwithstanding that the shares held by him are subsequently transferred or forfeited under a provision to that effect in the articles, but his liability shall cease if and when the company shall have received payment in full of all such moneys in respect of the shares. (3) Subject to subsections (1) and (2), no member or past member shall be liable to contribute to the assets of the company, except in the event of its being wound up.
	Beneficial ownership of companies and limited liability partnerships

Interpretation for beneficial ownership of company	175. In this Part, unless the context otherwise requires– “beneficial owner of a company” means a natural person(s) who ultimately owns or controls a company, whether directly or indirectly; “control” includes the ability to exercise significant influence over the management or policies of a company, whether through ownership of shares, voting rights, contractual arrangements, or otherwise; “nominee arrangement” means an arrangement under which shares or interests are held by one person on behalf of another.
Threshold and control tests	176. (1) A person is a beneficial owner of a company if the person– (a) directly or indirectly holds not less than the prescribed percentage of the issued shares or voting rights of the company; or (b) otherwise exercises control over the company or those persons who exercise ultimate effective control over a legal person or arrangement. (2) The prescribed percentage for subsection (1)(a) shall be set by regulations and shall not exceed ten per cent. (3) A person may be a beneficial owner notwithstanding that no single threshold in subsection (1)(a) is met, where control is exercised within the meaning of subsection (1)(b).

Mandatory filing of beneficial ownership information	177. (1) Every company shall file beneficial ownership information with the Board– (a) at incorporation; and (b) within the prescribed period after any change. (2) The information filed under subsection (1) shall include– (a) the full name of the beneficial owner; (b) date of birth; (c) nationality; (d) residential address; (e) nature and extent of the beneficial interest or control; and (f) such other particulars as may be prescribed. (3) A company shall maintain an internal register of beneficial owners.
Verification and identification requirements	178. (1) Beneficial ownership information filed under this Part shall be subject to verification procedures prescribed by the Board. (2) Verification may include linkage with national identification systems, including the National Identification Number, where access is available pursuant to law or memorandum of understanding. (3) Verification under this section shall be conducted in accordance with data protection safeguards prescribed by law.
Access to beneficial ownership information	179. (1) Beneficial ownership information shall be accessible to– (a) competent authorities for law enforcement, regulatory, and tax purposes; (b) financial institutions and designated non-financial businesses for customer due diligence; and (c) the public, to the extent prescribed. (2) Public access may be restricted to specified data fields to protect personal data and security interests.

Enforcement and sanctions	180. (1) A company that fails to comply with this Part commits an offence. (2) The Board may impose administrative sanctions, including– (a) monetary penalties; (b) compliance notices; (c) restriction of filings; or (d) strike-off proceedings for persistent default. (3) An officer who knowingly authorises false or misleading beneficial ownership information commits an offence.
Enhanced due diligence	181. (1) Enhanced beneficial ownership disclosure applies to– (a) politically exposed persons; (b) high-risk sectors prescribed by regulations; and (c) companies operating in regulated or extractive industries. (2) The Board may require additional documentation or verification for companies falling within subsection (1).
Integration with extractives and EITI reporting	182. (1) Companies engaged in extractive activities shall comply with additional beneficial ownership disclosure requirements consistent with the Extractive Industries Transparency Initiative. (2) The Board shall coordinate with relevant authorities to enable data sharing for EITI reporting purposes.
Transitional provisions	183. (1) Existing companies shall file beneficial ownership information within the prescribed transitional period. (2) Failure to file within the transitional period constitutes a default under this Act.

Protection against misuse of personal data	184. (1) Beneficial ownership information shall be processed solely for lawful purposes under this Act and related enactments. (2) The Board shall implement safeguards to prevent unauthorised access, misuse, or disclosure of personal data. (3) This section applies without prejudice to data protection and cybersecurity laws.
	Disclosure of beneficial interest in shares

Power of company to require disclosure.	185. (1) Notwithstanding section 186, a public company may, by notice in writing, require any member of the company, within such reasonable time as is specified in the notice– (a) to indicate in writing the capacity in which he holds any shares in the company; and (b) if he holds them otherwise than as a beneficial owner, to indicate in writing the particulars of the identity of persons interested in the shares in question and whether persons interested in the same shares are parties to any agreement or arrangement relating to the exercise of any rights conferred by the holding of the shares. (2) Where a company is informed in pursuance of a notice given to any person under subsection (1), or under this subsection, that any other person has an interest in any shares in the company, the company may, by notice in writing, require that other person within such reasonable time as is specified in the notice– (a) to indicate in writing the capacity in which he holds that interest; (b) if he holds it otherwise than as a beneficial owner, to indicate in writing, so far as it lies within his knowledge, the persons who have any interests in them (either by name and address or by other particulars sufficient to enable them to be identified) and the nature of their interests. (3) Whenever a company receives information from a person in pursuance of a requirement imposed on him under this section with respect to shares held by a member of the company, it shall be under an obligation to inscribe against the name of the member in the register of members– (a) the fact that the requirement was imposed; and (b) the information received in pursuance of the requirement.

	(4) Subject to subsection (5), any person who– (a) fails to comply with a notice under this section; or (b) in purported compliance with such a notice, makes any statement whether material particular or recklessly makesich he knows to be false in any statement which is false in a material particular, shall be guilty of an offence and liable to imprisonment or to a fine for each day during which the default continues. (5) A person shall not be guilty of an offence under paragraph (a) of subsection (4) if he proves that the information in question was already in the possession of the company or that the requirement to give it was for any other reason frivolous or vexatious.

Obligation of disclosure by substantial shareholders in a public company.	186. (1) A person who is a substantial shareholder in a public company shall give notice in writing to the company stating his name and address and giving full particulars of the shares held by him or his nominee (naming the nominee) by virtue of which he is a substantial shareholder. (2) A person is a substantial shareholder in a public company if he holds by himself or by his nominee, shares in the company which entitle him to exercise at least 10 per cent of the unrestricted voting rights at any general meeting of the company. (3) A person required to give a notice under subsection (1) shall do so within 14 days after that person becomes aware that he is a substantial shareholder. (4) The notice shall be so given notwithstanding that the person has ceased to be a substantial shareholder before the expiration of the period referred to in subsection (3). (5) A person who fails to comply with this section shall be guilty of an offence.
Person ceasing to be substantial shareholder to notify company.	187. (1) A person who ceases to be a substantial shareholder in a public company shall give notice in writing to the company stating his name and the date on which he ceases to be a substantial shareholder and giving full particulars of the circumstances by reason of which he ceased to be a substantial shareholder. (2) A person required to give notice under subsection (1), shall do so within 14 days after he becomes aware that he has ceased to be a substantial shareholder.

Register of interests in shares.	188. (1) A public company shall keep a register in which it shall enter– (a) in alphabetical order, the names of persons from whom it has received a notice under section 185; (b) against each name so entered, the information given in the notice, and where it receives a notice under section 190, the information given in that notice. (2) The register shall be kept at the place where the register of members required to be kept under section 168 is kept and subject to the same right of inspection as the register of members. (3) The Board may, at any time in writing, require the company to furnish it with a copy of the register or any part of the register and the company shall furnish the Board within 7 days after the day on which the requirement is received by the company. (4) If the company ceases to be a public company, it shall continue to keep the register until the end of the period of 6 years beginning with the day next following that on which it ceases to be such a company. (5) A company shall not, by reason of anything done for the purposes of this section, be effected with notice of, or put on enquiry as to, a right of a person to or in relation to a share in the company. (6) If default is made in complying with this section, the company and every officer of the company who is in default shall be liable to a fine.
Registration of interests to be disclosed	189. The matter relating to beneficial interests in shares required by section 185 to be disclosed shall be entered in a different part of the register of interests, which shall be so made up that the entries inscribed in it appear in chronological order.

Disclosure in Good Faith	190. (1) No person shall be liable to any civil or criminal proceedings, or to any professional disciplinary action, for disclosing information to the Board in good faith regarding a breach of beneficial ownership requirements. (2) Any provision in an employment contract or confidentiality agreement that purports to prevent a person from disclosing beneficial ownership defaults to the Board shall be void and of no effect.
Consequences of Failure to Disclose Beneficial Interest	191. (1) Where a person fails to comply with a notice to disclose a beneficial interest under this Part, the Board may, on its own motion or upon application by the company, direct that: (a) any transfer of the shares in question be void; (b) no voting rights be exercised in respect of those shares; (c) no further shares be issued in right of those shares; and (d) no payment be made by the company in respect of those shares, whether by way of dividend or otherwise. (2) The restrictions in subsection (1) shall remain in force until the required information has been furnished to the satisfaction of the Board.
Power to Verify Identity of Members and Beneficial Owners	192. (1) The Board shall have the power to require any person seeking to be registered as a member or beneficial owner to provide proof of identity through electronic biometric verification or other means prescribed by the Board. (2) The Board may refuse to register any person whose identity cannot be verified through the National Identification Database or, in the case of non-citizens, through a verified passport and international database check.

Prohibition of Bearer Shares	193. (1) No company shall have the power to issue bearer shares or share warrants to bearer. (2) Any provision in the articles of a company that purports to authorize the issue of bearer shares is void. (3) Any person holding a bearer share issued prior to the commencement of this Act shall, within six months, surrender the same to the company for cancellation and conversion into registered shares.
Annual Confirmation of Membership and Beneficial Ownership	194. (1) Every company shall, as part of its Annual Return, submit a "Confirmation Statement" declaring that the information in the Register of Members and the Register of Beneficial Owners is current and accurate. (2) A director who signs a Confirmation Statement knowing it to be false or misleading commits an offence.
Chain of Ownership	195. (1) For the purposes of identifying a beneficial owner, the Board shall have the power to require information from any person in a chain of ownership, notwithstanding that such persons or entities are registered in other jurisdictions. (2) Failure to provide information regarding the ultimate natural person at the top of a corporate chain shall be grounds for the Board to strike the Sierra Leonean subsidiary off the register.
	SIGNIFICANT CONTROL OVER LIMITED LIABILITY PARTNERSHIP

Disclosure of Significant Control Over a Limited Liability Partnership	196. (1) A person with significant control over a limited liability partnership shall within seven days of becoming such a person, indicate to the limited liability partnership in writing the particulars of such control. (2) A limited liability partnership after receiving or coming into possession of the information required under subsection (1), shall, not later than one month from the receipt of the information or any change therein, notify the Board of that information, provided that a company shall in every annual return, disclose the information required under subsection (1) in respect of the year for which the return is made. (3) The Board shall maintain a register of persons with significant control in which it shall enter the information received from the limited liability partnership or any change therein under subsection (2). (4) A limited liability partnership shall inscribe against the name of every member in the register of members, the information received in pursuance of the requirements of this section. (5) If default is made by any person or limited liability partnership in complying with subsections (1), (2) and (4), the person or limited liability partnership and each officer of the limited liability partnership is liable to such fines as the Board may prescribe by regulation for every day during which the default continues. (6) If default is made by any partner in complying with subsection (1) or in purported compliance, makes any statement which he knows to be false in a material particular or recklessly makes any statement which is false, he commits an offence and is liable to a term of imprisonment for six months or a fine as the court deems fit.

	(7) If default is made by any limited liability partnership in complying with subsection (3), the limited liability partnership and each officer of the limited liability partnership is liable to a penalty in such amount as the Board shall specify in its regulations for every day during which the default continues. (8) In this section, "significant control" means the ability of a natural person or legal entity to exercise, directly or indirectly, dominant influence over the affairs or management of a limited liability partnership, and a person shall be taken to have significant control over a limited liability partnership if that person— (a) holds, directly or indirectly, more than twenty-five per cent of the assets or profits of the limited liability partnership, whether through a partnership interest, a beneficial entitlement, or any other arrangement; (b) holds, directly or indirectly, more than twenty-five per cent of the voting rights in the limited liability partnership, including any voting rights exercisable under a proxy, a power of attorney, a trust arrangement, or any other instrument; (c) holds the right, directly or indirectly and whether alone or together with any other person, to appoint or remove a majority of those involved in the management of the limited liability partnership, including designated partners and any management committee members; (d) has the right to exercise, or actually exercises, significant influence or control over the limited liability partnership through contractual arrangements, shareholder or partnership agreements, nominee arrangements, or any other means, whether or not those arrangements confer a formal ownership or voting interest; or

	(e) exercises, or has the right to exercise, significant influence or control over the activities of a trust, company, partnership, or other entity that would itself satisfy any of paragraphs (a) to (d) in relation to the limited liability partnership.

	PART IX – SHARE CAPITAL
Minimum Issued Share Capital	197. (1) For the purposes of this Act, "Minimum Issued Share Capital" refers to the nominal value of shares actually allotted to and taken up by subscribers at the time of incorporation or subsequent allotment. (2) Notwithstanding any other provision, there shall be no mandatory minimum share capital for the incorporation of a private company. Subscribers may determine the issued share capital at their discretion, including a nominal value as low as the smallest unit of currency. (3) (a) A public company shall not be registered with an issued share capital less than NLe 50,000 (the "Minimum Issued Capital"). (b) Not less than 25 percent of the Minimum Issued Capital of a public company shall be paid up at the time of incorporation or registration. (4) An existing public company with capital below the minimum shall, within 90 days of the commencement of this Act, increase its issued capital to the prescribed minimum. (5) A public company in default of this section shall be liable to an administrative penalty prescribed by the Board and may be restricted from filing further documents until compliant.

Share Capital requirement	198. (1) A company having a share capital shall, in its memorandum, state the amount of its issued share capital, which shall be the total nominal value of shares taken up by the subscribers at the time of incorporation. (2) Subject to any other enactment relating to specific regulated sectors, the minimum issued share capital shall be— (a) in the case of a private company, such amount as the subscribers may determine, including zero minimum paid-in capital at the time of incorporation; and (b) in the case of a public company, not less than NLe 50,000, or such other amount as the Minister may by statutory instrument prescribe. (3) For the avoidance of doubt, no private company shall be required to provide evidence of payment for shares to any bank or the Board as a condition precedent for incorporation. (4) In the case of a company having a share capital— (a) the memorandum shall state the division of the share capital into shares of a fixed amount; and (b) each subscriber shall write opposite to their name the number of shares they agree to take. (5) The Board shall not refuse to incorporate a private company solely on the grounds that the nominal value of its issued share capital is negligible or that no capital has been paid into a bank account prior to registration.

Alteration of share capital by consolidation, subdivision, and cancellation	199. (1) A company having a share capital may in general meeting and not otherwise alter the conditions of its share capital so as to– (a) consolidate and divide all or any part of its share capital into shares of larger amount than its existing shares; (b) convert all or any of its paid-up shares into stock, and reconvert that stock into paid-up shares of any denomination; (c) subdivide its shares or any of them, into shares of smaller amounts than is fixed by the memorandum, so, however, that the subdivision of the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; (d) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled. (2) Cancellation of shares made in pursuance of sub-section (1) shall not be deemed to be reduction of share capital within the meaning of this Act. (3) If a company alters its share capital under this section, it shall notify the Board of the alteration within one month of the alteration. (4) If default is made in complying with this section the company and every officer of the company who is in default shall be liable to a default fine for each day during which the default continues.

Increase of Share Capital and notice of increase.	200. (1) A public company having a share capital, whether or not the shares have been converted into stock, may in general meeting and not otherwise, increase its share capital by new shares of such amount as it thinks expedient. (2) Where a company has increased its share capital it shall, within 7 days after the passing of the resolution authorizing the increase, give to the Board, notice of the increase and the Board shall record the increase. (3) Where in connection with the increase of shares any approval is required to be obtained under any enactment other than this Act, the Board may, on application by a company, extend the time within which to give notice of the increase to the Board. (4) The notice to be given under this section shall include any particulars prescribed with respect to the classes of shares affected and the condition subject to which the new shares have been or are to be issued and the notice shall be accompanied by a printed copy of the resolution authorising the increase. (5) If default is made in complying with the provisions of this section, the company in default shall be liable to a fine for each day during which the default continues.
Increase of issued share capital and notice of increase	201. Where a public company passes a resolution increasing its share capital, the increase shall not take effect unless– (a) within 6 months of giving notice to the Board, not less than 25 percent of the share capital including the increase has been issued; and (b) the directors have delivered to the Board a statutory declaration verifying that fact.
	Reduction of share capital

Restriction on reduction of issued share capital	202. (1) Subject to confirmation by the Court, a public company may, if authorized by its articles, reduce its issued share capital by special resolution. (2) A private company may reduce its share capital without court confirmation by passing a special resolution supported by a Solvency Statement signed by all directors, confirming the company's ability to pay its debts for the next 12 months. (3) A public company must apply to the Court for an order confirming the reduction. The Court shall ensure that: (a) All creditors entitled to object have consented or had their debts secured; and (b) The reduction does not result in the capital falling below the Minimum Issued Capital for public companies.
Registration of Order and Minutes of Reduction	203. (1) Upon production of the Court order, or the Solvency Statement for private companies, the Board shall register the minutes showing the new capital structure. (2) The reduction takes effect only upon registration by the Board. (3) The Board's certificate of registration is conclusive evidence that all requirements for capital reduction have been met.
Duty of Directors on Serious Loss of Capital	204. (1) Where the net assets of a public company fall to half or less of its called-up share capital, the directors shall, within 30 days of becoming aware of this fact, convene an extraordinary general meeting. (2) The purpose of the meeting shall be to consider what steps, if any, should be taken to deal with the situation (e.g., recapitalization, merger, or voluntary winding up). (3) Failure to convene this meeting constitutes an offence by every director who knowingly authorized the failure.

Special resolution for reduction of share capital Reduction of share capital and court confirmation where required	205. (1) Subject to confirmation by the Court, a company having a share capital may, if so authorised by its articles, by special resolution reduce its share capital in any way. (2) In particular, and without prejudice to subsection (1), the company may (a) extinguish or reduce the liability on any of its shares in respect of share capital not paid up; (b) either with or without extinguishing or reducing liability on any of its shares cancel any paid-up share capital which is lost or unrepresented by available assets; or (c) either with or without extinguishing or reducing liability on any of its shares, pay off any paid-up share capital which is in excess of the company's wants, and the company may, if and so far as is necessary, alter its memorandum by reducing the amount of its share capital and of its shares accordingly. (3) A special resolution under this section shall in this Act be referred to as "a resolution for reducing share capital".

Application to court for order of confirmation	206. (1) Where a company has passed a resolution for reducing its share capital, it may apply to the court for an order confirming the reduction. (2) If the proposed reduction of shares involves either (a) diminution of liability in respect of unpaid share capital; or (b) subject to subsection (6), the payment to a shareholder of any paid-up share capital, and in any other case if the court so directs, subsections (3), (4) and (5) shall have effect. (3) Every creditor of the company who at the date fixed by the court is entitled to any debt or claim which, if that date were the commencement of the winding up of the company, would be admissible in proof against the company, is entitled to object to the reduction of capital. (4) The court shall settle a list of creditors entitled to object, for that purpose- (a) shall ascertain, as far as possible without requiring an application from any creditor, the names of those creditors and the nature and amount of their debts or claims; and (b) may publish notices fixing a day or days within which creditors not entered on the list are to claim to be so entered or are to be excluded from the right of objecting to the reduction of capital. (5) If a creditor entered on the list whose debt or claim is not discharged or has not been determined does not consent to the reduction, the Court may, if it thinks fit, dispense with the consent of that creditor, on the company securing payment of his debt or claim by appropriating (as the court may direct) the following amount if the company:– (a) admits the full amount of the debt or claim or, though not admitting it, is willing to provide for it, then the full amount of the debt or claim;

	(b) does not admit, and is not willing to provide for, the full amount of the debt or claim, or if the amount is contingent or not ascertained, then an amount fixed by the court after the same enquiry and adjudication as if the company were being wound up by the Court. (6) If a proposed reduction of share capital involves either the diminution of any liability in respect of unpaid share capital or the payment to any shareholder of any paid-up share capital, the court may, if having regard to any special circumstances of the case it thinks proper to do so, direct that subsections (3) to (5) shall not apply as regards any class or classes of creditors.

Court order confirming reduction	207. (1) The court, if satisfied– (a) with respect to every creditor of the company who under section 206 is entitled to object to the reduction of capital that either– (i) his consent to the reduction has been obtained; or (ii) his debt or claim has been discharged or has determined, or has been secured; and (b) that the share capital does not by this reduction fall below the minimum issued share capital, may make an order confirming the reduction on such terms and conditions as it thinks fit. (2) Where the court so orders, it may also– (a) if for any special reason it thinks proper to do so, make an order directing that the company shall, during such period (commencing on or at any time after the date of the order) as is specified in the order, add to its name as its last words "and reduced"; (b) make an order requiring the company to publish (as the court directs) the reasons for the reduction of capital in the case of a public company or such other information in regard to it as the court thinks expedient with a view to giving proper information to the public and (if the court thinks fit) the causes which led to the reduction). (3) Where the company is ordered to add to its name the words "and reduced," those words shall until the expiration of the period specified in the order, be deemed to be part of the company's name.

Registration of order and minutes of reduction	208. (1) The Board on production to it of the order of the court confirming the reduction of a company's share capital, and the delivery to it of a copy of the order and of the minutes of the meeting of the company (approved by the court) showing, with respect to the company's share capital as altered by the order – (a) the amount of the share capital; (b) the number of shares into which it is to be divided, and the amount of each share; and (c) the amount (if any) at the date of the registration deemed to be paid up on each share, shall register the order and minutes. (2) On the registration of the order and minutes, and not before, the resolution for reducing the share capital as confirmed by the order so registered shall take effect. (3) A notice of the registration shall be published in such manner as the Court may direct. (4) The Board shall certify the registration of the order and minutes and the certificate– (a) may be either signed by the Director or authenticated by the official seal of the Board; (b) shall be *prima facie* evidence that all the requirements of this Act with respect to the reduction of share capital have been complied with, and that the company's share capital is as stated in the minutes. (5) The minutes when registered shall be deemed to be substituted for the corresponding part of the company's memorandum, and valid and alterable as if it had been originally contained in it.

	(6) The substitution of such minutes for part of the company's memorandum shall be deemed an alteration of the memorandum.

Liability of members on reduced shares.	209. (1) Where a company's share capital is reduced, a member of the company (past or present) is not liable in respect of any share to any call or contribution exceeding in amount the difference (if any) between the amount of the share as fixed by the minutes and the amount paid on the share or the reduced amount (if any), which is deemed to have been paid on it, as the case may be. (2) Subsections (3) and (4) shall apply if— (a) a creditor entitled in respect of a debt or claim, to object to the reduction of share capital, by reason of his ignorance of the proceedings for reduction of share capital, or of their nature and effect with respect to his claim, is not entered on the list of creditors; and (b) after the reduction of capital, the company is unable (within the meaning of section 523) to pay the amount of the creditor's debt or claim. (3) Every person who was a member of the company at the date of the registration of the order for reduction and minutes, is liable to contribute for the payment of the debt or claim in question an amount not exceeding that which he would have been liable to contribute if the company had commenced to be wound up on the day before that date. (4) If the company is wound up, the Court, on application of the creditor in question and proof of ignorance referred to in subsection (2) (*a*), may, if it deems fit, settle a list of persons so liable to contribute, and make and enforce calls and orders on the contributories settled on the list, as if they were ordinary contributories in a winding-up. (5) Nothing in this section affect the rights of the contributories among themselves

Penalty for concealing name of creditor, etc.	210. If an officer of the company— (a) wilfully conceals the name of a creditor entitled to object to the reduction of capital, (b) wilfully misrepresents the nature or amount of the debt or claim of any creditor, or (c) aids, abets or is privy to any concealment or misrepresentation, he commits an offence and is liable on conviction to such fines as the Board shall specify by regulation.
	MISCELLANEOUS MATTERS RELATING TO CAPITAL
Duty of directors on serious loss of capital	211. (1) Where the net assets of a public company are half or less of its called-up share capital, the directors shall, not later than 30 days from the earliest day on which that fact is known to a director of the company, duly convene an extraordinary general meeting of the company, for a day not later than 60 days from that day for the purpose of considering whether any, and if so, what steps should be taken to deal with the situation. (2) If there is a failure to convene an extraordinary general meeting as required by subsection (1), each of the directors of the company who— (*a*) allows the failure, or (*b*) after the expiry of the period during which that meeting should have been convened, allowing the failure to continue, is liable to such fines as the Board shall specify by regulation. (3) Nothing in this section authorises the consideration, at a meeting convened in pursuance of subsection (1), of any matter which could have been considered at that meeting apart from this section.
	PART X – SHARES

	Nature of shares
Nature of shares and transferability	212. The shares or other interests of a member in a company shall be personal estate transferable in the manner provided in the articles of association of the company.
Rights and liabilities attached to shares	213. Subject to this Act, the rights and liabilities attaching to the share of a company shall– (a) be dependent on the terms of issue and of the company's articles; and (b) include the right to attend any general meeting of the company and to vote at such a meeting
Prohibition of non-voting and weighted shares, with lawful exceptions	214. (1) Unless otherwise provided by any other enactment or the articles of association– (a) any shares issued by a company after the date of commencement of this Act, shall carry the right on a poll at a general meeting of the company to one vote in respect of each share and no company may by its articles or otherwise authorise the issue of shares which carry more than one vote in respect of each share or which do not carry any right to vote; and (b) where, at the commencement of this Act, any share of a company carries more than one vote or does not carry any vote at a general meeting of the company, such a share shall be deemed, as from the appointed day, to carry one vote only. (2) If a company contravenes any of the provisions of this section, the company and any officer in default shall be liable to a daily default fine and any resolution passed in contravention of this section shall be void. (3) Nothing in this section shall– (a) affect any right attached to a preference share under section 240; and

	(b) apply to a private company.
	Issue of shares
Issue of shares and classes of shares	215. Subject to any limitation in the articles of a company with respect to the number of shares which may be issued, and any pre-emptive rights prescribed in the articles in relation to the shares, a company shall have the power, at such times and for such consideration as it shall determine, to issue shares up to the share capital of the company.
Issue of classes of shares	216. (1). A company may, where so authorised by its articles, issue classes of shares. (2) Shares shall not be treated as being of the same class unless they rank equally for all purposes.

Issue of shares at premium and discount	217. (1) Shares of a company may be issued at a premium. (2) Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on those shares shall be transferred to an account, to be called “the share premium account”; and the provision of this Act relating to the reduction of share capital of a company shall, except as provided in this section, apply as if the share premium account were paid up share capital of the company. (3) Notwithstanding anything to the contrary in subsection (2), the share premium account may be applied by the company in paying up unissued shares of the company to be issued to members of the company as fully paid bonus shares, in writing off– (a) the preliminary expenses of the company; or (b) the expenses of, or the commission paid or discount allowed on, issue of shares of the company; or in providing for the premium payable on redemption of any redeemable share of the company. (4) Where a company has, before the commencement of this Act issued any shares at a premium, this section shall apply as if the shares had been issued after the commencement of this Act; but any part of the premium which has been so applied that it does not at the commencement of this Act form an identifiable part of the company’s reserves within the meaning of this Act shall be disregarded in determining the sum to be included in the share premium account.

Issue of shares at discount	218. (1) Subject to this section, it shall be lawful for a company to issue at a discount, shares in the company of a class of shares already issued if– (a) the issue of the shares at a discount is authorised by a resolution passed in general meeting of the company, and thereafter is sanctioned by the court; (b) the resolution specifies the maximum rate of discount at which the shares are to be issued; (c) the shares to be issued at a discount are issued within the month after the date on which the issue is sanctioned by the court or within such extended time as the court may allow; and (d) not less than one year must have elapsed since the date on which the company was entitled to commence business before the issue of any shares or other securities. (2) Where a company has passed a resolution authorizing the issue of shares at a discount, it may apply to the court for an order sanctioning the issue, and on such application the court may, having regard to all the circumstances of the case, if it thinks proper to do so, make an order sanctioning the issue on such terms and conditions as it thinks fit. (3) Every prospectus relating to the issue of the shares and every balance sheet issued by the company subsequent to the issue of shares shall contain particulars of the discount allowed on the issue of the shares or of so much of that discount as has not been written off at the date of the issue of the prospectus. (4) If default is made in complying with subsection (3), the company and every officer of the company who is in default shall be guilty of an offence.

Redeemable preference shares	219. Subject to section 250, a **c**ompany limited by shares may, if so authorised by its articles, issue preference shares which shall, or at the option of the company, be liable to be redeemed.
Validation of improperly issued shares	220. (1) Where a company has purported to issue or allot shares and the creation, issue or allotment of those shares was invalid by reason of any provision of this Act or any other enactment or of the articles of the company or otherwise, or the terms of issue or allotment were inconsistent with or unauthorised by such provision, the court may, upon application made by the company or by a holder or mortgagee of those shares or by a creditor of the company, and upon being satisfied that in all the circumstances it is just and equitable to do so, validate the issue or allotment of those shares or confirm the terms of the issue allotment, as the case may be. (2) In every case where the court validates an issue or allotment of shares or confirms the terms of an issue or allotment in accordance with subsection (1), it shall make, upon payment of the prescribed fees, an order which shall be proof of the validation or confirmation and upon the issue of the order, those shares shall be deemed to have been issued or allotted upon the relevant terms of issue or allotment.
	Authority to Allot Shares
Allotment of shares and return of allotments	221. Subject to this Act, the power to allot shares shall be vested in the company, which may delegate it to the directors, subject to any conditions or directions that may be imposed in the articles or from time to time by the company in a general meeting.

Method of application and allotment	222. The following provisions shall apply in respect of an application for an allotment of issued shares of a company:– (a) in the case of a private company or a public company where the issue of shares is not public, there shall be submitted to the company a written application signed by the person wishing to purchase shares and indicating the number of shares required; (b) in the case of a public company, subject to any conditions imposed by the Board where the issue of shares is public, there shall be returned to the company a form of application as prescribed in the company's articles, duly completed and signed by the person wishing to purchase shares; (c) upon the receipt of an application, a company shall, where it wholly or partially accepts the application, make an allotment to the applicant and, within 21 days after the allotment, notify the applicant of the fact of the allotment and the number of shares allotted to him; (d) the company shall, not later than 7 days after receiving the application in writing, notify applicants who are unsuccessful and, within 14 days after the end of the allotments, refund the money of every unsuccessful applicant; (e) an applicant under this section may, within 10 days before the closure of any public offer, withdraw his application by written notice to the company.
Allotment as acceptance of offer	223. An allotment of shares made and notified to an applicant in accordance with section 221, shall be an acceptance by the company of the offer by the applicant to purchase its shares and the offer takes effect on the date on which the allotment is made by the company.
Payment on allotment	224. Subject to sections 231 to 234, a company may, in its articles, make provision with respect to payments on allotment of its shares.

Prohibition of allotment unless minimum subscription received	225. (1) No allotment shall be made of any share capital of a company offered to the public for subscription unless the amount stated in the prospectus as the minimum amount which, in the opinion of the directors shall be raised by the issue of share capital in order to provide for matters specified in subsection (6) has been subscribed, and the sum payable on application for the amount so stated has been paid to and received by the company. (2) For the purposes of subsection (1), a sum shall be deemed to have been paid to and received by the company if a cheque for that sum has been received in good faith by the company and the directors of the company have no reason for suspecting that the cheque will not be paid. (3) The amount stated in the prospectus shall be reckoned exclusively of any amount payable otherwise than in cash and is in this Act referred to as "the minimum subscription." (4) The amount payable on application on each share shall not be less than 5 per cent of the nominal amount of the share. (5) The amount paid on application shall be set apart by the directors as a separate fund and shall not be available for the purposes of the company or the satisfaction of its debts until the minimum subscription has been made up. (6) If the conditions specified in this section have not been complied with on the expiration of 30 days after the closure of the public offering, all moneys received from applicants for shares shall be forthwith repaid to them without interest, and, if such money is not so repaid within 40 days after the closure of the public offering, the directors of the company shall be jointly and severally liable to repay that money with interest at the rate of five per cent per annum from the expiration of the fortieth day; but a director shall not be liable if he proves that the default in the repayment of the money was not due to any misconduct or negligence on his part.

	(7) Any condition requiring or binding any applicant for shares to waive compliance with any requirement of this section shall be void. (8) This section, except subsection (3), shall not apply to any allotment of shares subsequent to the first allotment of shares offered to the public for subscription.

Prohibition of allotment in certain cases of prospectus delivered to the Board.	226. (1) A public company having a share capital which– (a) does not issue a prospectus on or with reference to its formation; or (b) issued such a prospectus but has not proceeded to allot any of the shares, shall not allot any of its shares or debentures unless at least 3 days before the first allotment of either shares or debentures there has been delivered to the Board for registration a statement in lieu of prospectus, signed by every person who is named in it as a director or a proposed director of the company or by his agent authorised in writing in the form containing the particulars set out in the Ninth Schedule. (2) This section shall not apply to a private company. (3) If a company acts in contravention of this section, the company and every director of the company who knowingly authorises or permits the contravention shall be guilty of an offence and be liable to a fine.
Effect of irregular allotment	227. (1) An allotment made by a company to an applicant in contravention of sections 224 and 225 shall be voidable at the instance of the applicant within one month after the holding of the statutory meeting of the company and not later, notwithstanding that the company is in the course of being wound up. (2) If any director of a company knowingly contravenes or permits or authorises the contravention of any of the provisions of sections 224 and 225 with respect to allotment, he shall be liable to compensate the company and the allottee respectively for any loss, damages or costs which the company or the allottee may have sustained or incurred thereby.

	(3) Proceedings to recover any loss, damages or costs shall not be commenced after the expiration of two years from the date of allotment.

Return as to allotments	228. (1) Whenever a company limited by shares makes any allotment of its shares, the company shall, within one month thereafter, deliver to the Board for registration– (a) a return of the allotments stating the number of nominal amount of the shares comprised in the allotment, the names, addresses and description of the allottees, and the amount, if any, paid or due and payable on each share; and (b) in the case of shares allotted as fully or partly paid up otherwise than in cash– (i) a contract in writing consisting of the title of the allottee to the allotment together with any contract of sale, or for services or other consideration in respect of which that allotment was made, such contracts being duly registered; (ii) a return stating the number and nominal amount of shares so allotted, the extent to which they are to be treated as paid up, and the consideration for which they have been allotted; and (iii) particulars of the valuation of the consideration in accordance with section 231, if any. (2) If default is made in complying with this section, every officer of the company who is in default shall be guilty of an offence and be liable to a fine for each day during which the default continues; but in case of default in delivering to the Board within one month after the allotment any document required to be delivered by this section, the company or any officer liable for the default, may apply to the court for relief, and the court, if satisfied that the omission to deliver the document was accidental or due to inadvertence or that it is just and equitable to grant relief, may make any order extending the time for the delivery of the document for such period as the court may think proper.

Prohibition of payment of commissions, discounts out of shares and capital	229. (1) Subject to section 222, no company shall apply any of its shares or capital money either directly or indirectly in payment of any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in the company, or procuring or agreeing to procure subscriptions, whether absolutely or conditional, for any shares in the company, whether the shares or capital money of any property acquired by the company or to the contract price of any work to be executed for the company, or such money is paid out of the nominal purchase money or contract price, or otherwise. (2) Nothing in this section shall affect the payment of any brokerage as is usual for a company to pay. (3) A vendor to or promoter of a company or other person who receives payment in money or shares from a company, shall have and shall be deemed always to have had power to apply any part of the money or shares so received in payment of any commission, the payment of which, if made directly by the company, would have been legal under this section.

Power to pay commission in certain cases.	230. (1) It shall be lawful for a company to pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in the company or procuring or agreeing to procure subscription, whether absolutely or conditionally, for any shares in the company if– (a) the payment of the commission is authorised by the articles; (b) subject to any enactment to the contrary, the commission paid or agreed to be paid does not exceed 10 per cent of the price at which the shares are issued or the amount or rate authorised by the articles, whichever is the lesser; (c) the amount or rate per cent of the commission paid or agreed to be paid is– (i) in the case of shares offered to the public for subscription, disclosed in the prospectus; or (ii) in the case of shares not offered to the public for subscription, disclosed in the statement in lieu of prospectus, or in a statement in the prescribed form signed in like manner as a statement in lieu of prospectus, and delivered before the payment of the commission to the Board for registration, and where a circular or notice, not being a prospectus inviting subscription for the shares is issued, also disclosed in that circular or notice; and (d) the number of shares for which persons have agreed for a commission to subscribe absolutely is disclosed in the manner specified in this section. (2) If default is made in delivering to the Board any document required to be delivered to the Board under this section, the company and every officer in default shall be liable to a fine.

Statement in the balance sheet as to commission	231. (1) Where a company has paid any sum by way of commission in respect of any shares in the company, the amount so paid or so much of it as has not been written off shall be stated in every balance sheet of the company until the whole amount has been written off. (2) If default is made in complying with this section, the company and every officer of the company in default commits an offence and is liable to a fine for each day during which the default continues.
	Call on and payment for Shares
Payment for shares, cash and non-cash consideration and valuation	232. Subject to sections 229 and 230, the shares of a company and any premium on them shall be paid up in cash, or where the articles so permit, by a valuable consideration other than cash or partly in cash and partly by a valuable consideration other than cash.
Meaning of Payment in Cash	233. Shares shall not be deemed to have been paid for in cash except to the extent that the company shall actually have received cash for them at the time of, or subsequent to the agreement to issue the shares, and where shares are issued to a person who has agreed to sell property or rendered or agreed to render services to the company or to persons nominated by him, the amount of any payment made for the property or services shall be deducted from the amount of any cash payment made for the shares and only the balance (if any) shall be treated as having been paid in cash for such shares notwithstanding any exchange of cheques or other securities for money.

Payment Other Than Cash	234. (1) Where a company agrees to accept for its shares other than wholly in cash, it shall appoint an independent valuer who shall determine the true value of the consideration other than cash and prepare and submit to the company a report on the value of the consideration. (2) The valuer shall be entitled to require from the officers of the company such information and explanation as he thinks necessary to enable him carry out the valuation or make the report under subsection (3). (3) The company shall, not more than three days after the receipt by it of the valuer's report, send a copy of it to the proposed purchaser of shares, and indicate to the proposed purchaser whether or not it intends to accept the consideration as payment or part payment for its shares by the valuer as worth at least as much as may be credited as paid up in respect of the shares allowed to the proposed purchaser. (4) A company shall not accept as payment or part-payment for its shares consideration other than cash, unless the cash value of the consideration, as determined by the valuer, is worth at least as much as may be credited as paid-up in respect of the shares allowed to the proposed purchaser. (5) A valuer who, in his report or otherwise, knowingly or recklessly makes a statement which is misleading, false or deceptive in a material particular shall be guilty of an offence and be liable to imprisonment for a term not exceeding 12 months or to a fine not exceeding NLe8,000 or both such imprisonment and fine. (6) A valuer shall be paid by the company and the buyer of the shares such amount as may be agreed upon. (7) For the purposes of this section, "valuer" means an auditor, a surveyor, or an accountant not being a person in the employment

	of the company nor an agent or associate of the company or any of its directors or officers

Power to pay different amounts on shares.	235. To the extent to which it is so authorised by its articles, a company may (a) make arrangements on the issue of shares for a difference between the shareholders in the amounts and times of payment of calls on their shares; (b) accept from any member the whole or a part of the amount remaining unpaid on any shares held by him, although no part of that amount has been called up; (c) pay dividends in proportion to the amount paid up on each share, even when a larger amount is paid up on some shares than on others.
Reserve liability of companies having share capital	236. A limited company may, by special resolution, determine that any of its share capital shall not be called up which has not already been called up,except in the event and for the purposes of the company being wound up, and thereupon that portion of its share capital shall not be capable of being called up except for the winding up of the company.
	Class of shares
	Right of preference shareholder to more than one vote

Class rights and variation	237. (1) Notwithstanding section 213, the articles may provide that preference shares issued after the commencement of this Act shall carry the right to attend general meetings and on a poll at the meeting to more than one vote per share in the following circumstances, but not otherwise:– (a) upon any resolution during such period as the preferential dividend or any part of it remains in arrears and unpaid, such period starting from a date not more than 12 months or for such less period as the articles may provide, after the due date of the dividend; (b) upon any resolution which varies the rights attached to such shares; (c) upon any resolution to remove an auditor of the company or to appoint another person in place of such auditor; and (d) upon any resolution for the winding up of the company or during the winding up of the company. (2) Notwithstanding the provisions of section 213, any special resolution of a company increasing the number of shares of any class may validly resolve that any existing class of preference shares shall carry the right to such votes additional to one vote per share as shall be necessary in order to preserve the existing ratio which the votes exercisable by the holders of such preference shares at a general meeting of the company bear to the total votes exercisable at the meeting. (3) For the purposes of subsection (2), a dividend shall be deemed to be due on the date appointed in the articles for the payment of the dividend for any year or other period, or if no such date is appointed, upon the day immediately following the expiration of the year or other period, and whether or not such dividend shall have been earned or declared.

Construction of Class Rights	238. (1) In construing the provisions of a company's articles in respect of the rights attached to shares, the following rules of construction shall be observed– (a) unless the contrary intention appears, no dividend shall be payable on any shares unless the company resolves to declare such dividend; (b) unless the contrary intention appears, a fixed preferential dividend payable on any class of shares is cumulative, that is to say, no dividend shall be payable on any shares ranking subsequent to them until all the arrears of the fixed dividend have been paid; (c) unless the contrary intention appears, in a winding up, arrears of any cumulative preferential dividend, whether earned or declared or not, are payable up to the date of actual payment in the winding up; (d) if any class of shares is expressed to have a right to a preferential dividend, then, unless the contrary intention appears, such class has no further right to participate in dividends; (e) if any class of shares is expressed to have preferential rights to payment out of the assets of the company in the event of winding up, then unless the contrary intention appears, such a class has no further right to participate in the distribution of assets in the winding up; (f) in determining the rights of the various classes to share in the distribution of the company's property on a winding up, no regard shall be had, unless the contrary intention appears, whether or not such property represents accumulated profits or surplus which would have been available for dividend while the company remained a going concern; (g) subject to this section, all shares rank equally in all respects, unless the contrary intention appears in the company's articles.

	(2) Irrespective of the class of shares held by a member, any member holding 10% or less of the Company's shares or right to vote, shall have the right to inspect documents relating to any transaction of the Company whether or not intending to file a lawsuit. (3)Where a company does not make available to the member documents as requested, upon notification in writing of the same to the Board, the Board shall issue a directive to the Company stating in such directive the period within which the documents shall be made available. (4)Failure on the part of the Company to comply with this directive shall be a default, and the Company shall be liable to a default fine for every day the default continues.

	Numbering of shares
Numbering of shares	239. Each share in a company having a share capital shall be distinguished by its appropriate number; but if at any time all the issued shares in a company, or all of its issued shares of a particular class, are fully paid up and rank *pari passu* for all purposes, none of those shares need thereafter have a distinguishing number so long as it remains fully paid up and ranks *pari passu* for all purposes with all shares of the same class for the time being issued and fully paid up.
	Issue of share certificates

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Share certificates, including transition to uncertificated securities where prescribed	240. (1) Every company shall, within 1 month after the allotment of any of its shares and in the case of a share transfer within 1 month of the same being agreed at a general meeting and approved by the Board, complete and have ready for delivery the certificates of all shares allotted or transferred, unless the conditions of issue of the shares otherwise provide. (2) Every person whose name is entered as a member in the register of members shall be entitled without payment to receive, within 3 months of allotment or lodgement of transfer or within such other period as the conditions of issue shall provide one certificate for all his shares or several certificates each for one or more of his shares upon payment of a fee as the directors shall, from time to time, determine. (3) Every certificate issued by a company shall be under the company's seal and shall specify the shares to which it relates and the amount paid up on them; but in respect of shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for shares to one of several joint holders shall be sufficient delivery to all such holders. (4) If a share certificate is defaced, lost or destroyed, it may be replaced on such terms (if any) as to evidence and indemnity and the payment of the expenses of the company in investigating evidence as the directors think fit. (5) If any company on which a notice has been served requiring it to make good any default in complying with the provisions of subsection (1) of this section fails to make good the default within 10 days after the service of the notice, the Board may, on the application of the person entitled to have the certificate delivered to him, give a directive for the company and any officer of the company to make good the default within such time as may be specified in the directive; failure to comply with the directive shall constitute a default and the company and every officer of the

	Company shall be liable to a default fine per day for continued default. (6) If default is made in complying with this section, the company and every officer of the company who is in default shall be liable to a default fine for each day during which the default continues. (7) In this section, “transfer” means a transfer duly registered and otherwise valid but, but does not include a transfer which, under this Act, a company is for any reason entitled to refuse to, and does not register.

Effect of a share certificate	241. (1) A certificate, under the common seal of the company, specifying any shares held by any member, shall be *prima facie* evidence of the title of the member to the shares. (2) If any person changes his position to his detriment in good faith on the continued accuracy of the statements made in a certificate, the company shall be estopped from denying the continued accuracy of such statements and shall compensate the person for any loss suffered by him in reliance on them and which he would not have suffered had the statement been or continued to be accurate. (3) Nothing in subsection (2) shall derogate from any right the company may have to be indemnified by any other person.
	Issue and effect of share warrants to bearer
Share warrants to bearer	242. (1) A company limited by shares, if so authorised by its articles may, with respect to any fully paid-up shares, issue under its common seal a warrant (in this Act called a "share warrant") stating that the bearer of the warrant is entitled to the shares specified in it, and may provide, by coupons or otherwise, for the payment of the future dividends on the shares. (2) A share warrant shall entitle the bearer to the shares specified in it and the shares may be transferred by delivery of the warrant.
Probate, etc., as evidence of grant	243. The production to a company of any document which is, by law, sufficient evidence of probate of the will, or letters of administration of the estate, or confirmation as executor, of a deceased person having been granted to some person, shall be accepted by the company as sufficient evidence of the grant, notwithstanding anything in its articles to the contrary.

Transfer and transmission of shares and debentures	244. (1) Notwithstanding anything in the articles of a company, it shall not be lawful for the company to register a transfer of shares in or debentures of the company, unless as in the case of transfer of shares the approval of which has been sought from and granted by the Board and a proper instrument of transfer has been delivered to the company or the individual: but nothing in this section shall prejudice any power of the company to register as shareholder, any person to whom the right to any shares in the company has been transmitted by operation of law. (2) In the case of the death of a shareholder or debenture holder, the survivor, where the deceased was a joint holder, and the legal representatives of the deceased, where he was a sole holder, or the last survivor of joint holders shall be the only persons recognized by the company as shareholders or debenture holders. (3) A person upon whom the ownership of a share or debenture devolves by reason of his being the legal personal representative or trustee in bankruptcy of the holder or by operation of law, may upon such evidence being produced as the company may properly require, be registered himself as the holder of the share or debenture or transfer it to some other person; and such transfer shall be as valid as if he had been registered as a holder but shall have no right to refuse registration of the person himself. (4) A person upon whom the ownership of a share or debenture devolves by reason of his being the legal representative, receiver or trustee in bankruptcy of the holder or by operation of law shall, prior to registration of himself or a transferee be entitled to the same dividends, interest and other advantages as if he were the registered shareholder and, in the case of a share, to the same rights and remedies as if he were a member of the company, except that he shall not, before being registered as a member in respect of the share, be entitled to attend and vote at any meeting of the company; but the company may at any time give notice requiring such person to elect to be registered himself or to transfer the share or debenture; and if the notice is not complied

	with within 90 days, the company may thereafter suspend payment of all dividends, interest or other moneys payable in respect of the share or debenture until the requirements of the notice have been complied with.

Entry in the register of transfers.	245. (1) On the application of the transferor of any share or interest in a company, the company shall enter in its register of members, the name of the transferee in the same conditions as if the application for the entry were made by the transferee. (2) Until the name of the transferee is entered in the register of members in respect of the transferred shares, the transferor shall, so far as concerns the company, be deemed to remain the holder of the shares.
Notice of refusal to register	246. (1) If a company refuses to register a transfer of any share, it shall, within two months after the date on which the transfer was lodged with it, send notice of the refusal to the transferee. (2) If default is made in complying with this section, the company and every officer of the company who is in default shall be liable to a fine.
Transfer by personal representatives.	247. A transfer of the share or other interest of a deceased member of a company made by his personal representative shall, although the personal representative is not himself a member of the company, be as valid as if he had been such a member at the time of the execution of the instrument of transfer.

Recognition of executors' etc. title to shares.	248. (1) The executors or administrators of a deceased sole holder of a share are the only persons recognised by the company as having any title to the share. (2) In the case of a share registered in the names of two or more holders, the survivor or survivors, or the legal representatives of the deceased survivor, shall be the only persons recognised by the company as having title to the share. (3) Nothing in subsection (2) shall release the estate of a deceased joint holder from any liability in respect of any share which has been jointly held by him with other persons. (4) Any person becoming entitled to a share in consequence of the death or bankruptcy of a member shall, upon such evidence being produced as may from time to time be properly required by the directors, have the right, either to be registered as a member in respect of the share or, instead of being registered himself, to make such transfer of the share as the deceased or bankrupt person could have made but the directors shall, in either case have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the deceased or bankrupt person before the death or bankruptcy. (5) A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company.

Protection of beneficiaries	249. (1) Any person claiming to be interested in any shares or the dividends or interest on them may protect their interest by serving on the company concerned a notice and affidavit of interest. (2) Notwithstanding section 172, the company shall enter on the register of members the fact that such notice has been served and shall not register any transfer or make any payment or return in respect of the shares contrary to the terms of the notice until the expiration of 21 days' notice to the claimant of the proposed transfer or payment. (3) In the event of any default by the company in complying with this section, the company shall compensate any person injured by the default.

Certification of transfers	250. (1) When the holder of any shares or debentures of a company wishes to transfer to any person only a part of the shares represented by one or more certificates, the instrument of transfer together with the relevant certificates shall be delivered to the company with a request that the instrument of transfer be recognised and registered. (2) A company to which a request is made under subsection (1) may recognise the instrument of transfer by endorsing on it the words “certificate lodged” or words to the like effect. (3) The recognition by a company of any instrument of transfer of shares in or debentures of the company shall be taken as a representation by the company to any person acting on the faith of the recognition that there have been produced to the company such documents as on the face of them show a *prima facie* title to the shares or debentures in the transferor named in the instrument of transfer, but not as a representation that the transferor has any title to the shares. (4) Where any person acts on the faith of a false recognition by a company made negligently, the company shall be under the same liability to that person as if the recognition had been made fraudulently. (5) For the purposes of this section– (a) an instrument of transfer shall be deemed to be recognised if it bears the words “certificate lodged” or words to the like effect; (b) the recognition of an instrument of transfer deemed to be made by a company shall be if– (i) the person issuing the instrument is a person authorised to issue certificated instruments of transfer on the company’s behalf; and (ii) the recognition is signed by a person authorised to recognise transfers of shares or debentures on the company’s behalf by any

	officer or servant either of the company or of a body corporate so authorised; (c) a recognition shall be deemed to be signed by any person if– (i) it purports to be authenticated by his signature or initials (whether hand-written or not); and (ii) it is not shown that the signature or initials was or were not placed there by any person other than him or a person authorised to use the signature or initials for the purpose of transfers on the company's behalf.

	Transaction by company in respect of its own shares
Transactions by company in its own shares, buybacks, treasury shares, and disclosure	251. (1) The provisions of this section shall apply in respect of redemption by a company of any redeemable preference shares issued by it under section 218. (2) The shares shall not be redeemed unless they are fully paid, and redemption shall be made only out of – (a) profits of the company which would otherwise be available for dividends; or (b) the proceeds of a fresh issue of shares are made for the purposes of the redemption. (3) Before the shares are redeemed, the premium, if any, payable on redemption, shall be provided for out of the profits of the company or out of the company's share premium account. (4) Where shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which should otherwise have been available for dividend, be transferred to a reserve fund to be called "the capital redemption reserve fund", a sum equal to the nominal amount of the shares redeemed, and the provisions of this Act relating to the reduction of the share capital of the company shall, except as provided in this section, apply as if the capital redemption reserve fund were paid-up share capital of the company. (5) Subject to the provisions of this section, the redemption of preference shares may be effected on such terms and in such manner as are provided by the articles of the company.

Prohibition of financial assistance by company for acquisition of its shares	252. (1) Subject to this section– (a) where a person is acquiring or is proposing to acquire shares in a company, it shall not be lawful for the company or any of its subsidiaries to give financial assistance directly or indirectly for the purpose of that acquisition before or at the same time as the acquisition takes place; and (b) where a person has acquired shares in a company, and any liability has been incurred by that or any other person for the purpose of that acquisition, it shall not be lawful for the company or any of its subsidiaries to give financial assistance directly or indirectly for the purpose of reducing or discharging the liability so incurred. (2) Nothing in subsection (1) shall be taken to prohibit– (a) the lending of money by the company in the ordinary course of its business, where the lending of money is part of the ordinary business of a company; (b) the provision by a company, in accordance with any scheme for the time being in force, of money for the purchase of or subscription for, fully-paid shares in the company or its holding company, being a purchase of subscription by trustees of or for shares to be held by or for the benefit of employees of the company, including any director holding a salaried employment or office in the company; (c) the making by a company of loans to persons, other than directors, *bona fide* in the employment of the company with a view to enabling those persons to purchase or subscribe for fully-paid shares in the company or its holding company, to be held by themselves by way of beneficial ownership. (d) a company from giving financial assistance for the acquisition of shares in it or its holding company if–

	(i) the company's principal purpose in giving that assistance is not to give it for the purpose of the acquisition if giving of the assistance for that purpose is but an incidental part of some larger purpose of the company; and (ii) the assistance is given in good faith in the interest of the company; (e) a company from giving financial assistance if– (i) the company's principal purpose in giving the assistance is not to reduce or discharge any liability incurred by a person for the purpose of the acquisition of shares in the company or its holding company, or the reduction or discharge of such liability is but an incidental part of some larger purpose of the company; and (ii) the assistance is given in good faith; (f) a distribution of a company's assets by way of dividend lawfully made or a distribution made in the course of the winding up of the company; (g) the allotment of bonus shares; (h) anything done in pursuance of an order of the court under section 674 in relation to the power of a company to compromise with its creditors and members; (i) the provision of financial assistance by a company or any of its subsidiaries for the purposes of or in connection with anything done by the company for the purpose of enabling or facilitating transactions in shares in the company between and involving the acquisition of beneficial ownership of those shares by any of the following persons:- (i) the *bona fide* employees or former employees of that company or of another company in the same group; or

	(ii) the wives, husbands, widows, widowers, children or stepchildren under the age of 18 of such employees or former employees; (j) the making by a company of loans to persons other than directors, employed in good faith, by the company with a view to those persons to acquire fully paid shares in the company or its holding company to be held by them by way of beneficial ownership. (3) The aggregate amount of any outstanding loans made under paragraph (c) of subsection (2) shall be shown as a separate item in every balance sheet of the company. (4) If a company acts in contravention of this section, the company and every officer of the company who is in default shall be guilty of an offence and be liable to a fine. (5) In this section, “financial assistance” means– (a) financial assistance given by way of– (i) a gift, guarantee, security or indemnity other than an indemnity in respect of the indemnifier’s own neglect or default or by way of release or waiver; (ii) a loan or any other agreement under which any of the obligations of the person giving the assistance are to be fulfilled at a time when, in accordance with the agreement, remains unfulfilled, or by way of the novation of or assignment of rights arising under, a loan or such other agreement; or (b) any other financial assistance given by a company, the net assets of which are thereby reduced to a material extent or which have no net assets.

Acquisition by company of its own shares	253. (1) Subject to subsection (2) and its articles, a company may not purchase or otherwise acquire shares issued by it. (2) A company may acquire its own shares for the purpose of– (a) settling or compromising a debt or claim asserted by or against the company; (b) eliminating fractional shares; (c) fulfilling the terms of a non-assignable agreement under which the company has an option or is obliged to purchase shares owned by an officer or an employee of the company; (d) satisfying the claim of a dissenting shareholder; or (e) complying with a court order. (3) A company may accept from any shareholder a share in the company surrendered to it as a gift but may not extinguish or reduce a liability in respect of an amount unpaid on such share, except in accordance with section 204.
Conditions for purchase by a company of its own shares	254. Notwithstanding any provision in the articles, a company shall not purchase any of its own shares except on compliance with the following conditions:– (a) shares shall only be purchased out of profits of the company which would otherwise be available for dividend or the proceeds of a fresh issue of shares made for the purpose of the purchase; (b) redeemable shares shall not be purchased at a price greater than the lowest price at which they are redeemable or shall be redeemable at the next date thereafter at which they are due or liable to be redeemed; (c) no purchase shall be made in breach of section 252.

Limit on number of shares acquired	255. No transaction shall be entered into by or on behalf of a company whereby the total number of its shares, or of its shares of any one class, held by persons other than the company or its nominees becomes less than 70 per cent of the total number of shares of that class, which have been issued but– (a) redeemable shares shall be disregarded for the purposes of this section; and (b) where, after shares of any class have been issued or the number of such shares has been reduced, this section shall apply as if the number originally issued (including shares of that class cancelled before the reduction took effect) had been the number as so reduced.
Disclosure by the company of purchase of its own shares.	256. (1) Within the period of 28 days beginning with the date on which any shares purchased by a company under this Part are delivered to it, the company shall deliver to the Board for registration a return in the prescribed form stating with respect to shares of each class purchased, the number and nominal value of those shares and the date on which they are delivered to the company. (2) In the case of a public company, the return shall also state– (a) the aggregate amount paid by the company for the shares; and (b) the maximum and minimum prices paid in respect of shares of each class purchased. (3) Particulars of shares delivered to the company on different dates and under different contracts may be included in a single return to the Board, and in such a case, the amount required to be stated under paragraph (a) of subsection (2) is the aggregate amount paid by the company for all the shares to which the return relates.

Enforceability of contract to acquire shares	257. **(**1) A contract with a company providing for the acquisition by the company of shares in the company is specifically enforceable against the company, except to the extent that the company cannot perform the contract without there being a breach of section 251. (2) In any action brought on a contract referred to in subsection (1), the company shall have the burden of proving that the performance of the contract is prevented by section 251.
Re-issue of shares acquired	258. Where shares in a company are redeemed, purchased, acquired or forfeited, such shares shall, unless the company by alteration of its articles of association cancels the shares, be available for re-issue by the company.
Acquisition of shares of holding company	259. (1) Subject to this section, a corporation or its nominees shall not become a member of a company which is its holding company, and any allotment or transfer of shares in a company to its subsidiary or to a nominee for the subsidiary shall be void. (2) A company which is a subsidiary may acquire shares in its holding company where the subsidiary company is interested as a personal representative or trustee unless the holding company or any of its subsidiaries is beneficially interested otherwise than by way of security for the purpose of a transaction entered into by it in the ordinary course of a business, which includes the lending of money. (3) A subsidiary which is, at the commencement of this Act, a holder of shares of its holding company or a subsidiary which acquired shares in its holding company may continue to hold such shares, but subject to subsection (1), shall have no right to vote at meetings of the holding company or any class of shareholders of the holding company and shall not acquire any future shares in it except on a capitalisation issue.
	PART XI – DEBENTURES
	Creation of debentures and debenture stock

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	Types of debentures
Perpetual debentures.	260. A company may issue perpetual debentures, and a condition contained in any debentures, or in any deed for securing any debentures, shall not be invalid by reason only that the debentures are made irredeemable or redeemable only on the happening of a contingency, however remote, or on the expiration of a period, however long, any rule of equity to the contrary notwithstanding.
Convertible debentures.	261. Debentures may be issued upon the terms that, in lieu of redemption or repayment, they may, at the option of the holder or the company, be converted into shares in the company on such terms as may be stated in the debentures.
Secured and unsecured debentures.	262. (1) Debentures may either be secured by a charge over the company's property or may be unsecured by any charge. (2) Debentures may be secured by a fixed charge on certain of the company's property or a floating charge over the whole or a specified part of the company's undertaking and assets, or by both a fixed charge on certain property and a floating charge. (3) A charge securing debentures shall become enforceable on the occurrence of the events as specified in the debentures or the deeds securing the debenture. (4) Where any legal proceedings are brought by a debenture holder to enforce the security of a series of debentures of which he holds part, the debenture holder shall sue in a representative capacity on behalf of himself and all other debenture holders of that series. (5) Where the debentures are secured by a charge, the provisions of section 170 relating to the registration of particulars of charges shall apply.

Redeemable debentures	263. A company limited by shares may issue debentures which are, or at the option of the company, liable to be redeemed.

Power to reissue redeemed debentures in certain cases.	264. (1) Where either before or after the commencement of this Act, a company has redeemed any debentures previously issued, then unless– (a) any provision, express or implied, to the contrary is contained in the articles or in any contract entered into by the company; or (b) the company has, by passing a resolution to that effect or by some other act, manifested its intention that the debentures shall be cancelled, the company shall have, and shall be deemed always to have had, power to re-issue the debentures, either by re-issuing the same debentures or by issuing other debentures in their place. (2) On a re-issue of redeemed debentures, the person entitled to the debentures shall have, and shall be deemed always to have had, the same priorities as if the debentures had never been redeemed. (3) Where a company has either before or after the commencement of this Act, deposited any of its debentures to secure advances, from time to time, on current account or otherwise, the debentures shall not be deemed to have been redeemed by reason only of the account of the company having ceased to be in debit, whilst the debentures remained so deposited. (4) The re-issue of a debenture or the issue of another debenture in its place under the power given by this section to or deemed to have been possessed by a company, whether the re-issue or issue was made before or after the commencement of this Act, shall be treated as issue of a new debenture for the purposes of a stamp duty, but it shall not be so treated for the purposes of any provision limiting the amount or number of debentures to be issued. (5) Any person lending money on the security of a debenture re-issued under this section which appears to be duly stamped, may give the debenture in evidence in any proceedings for enforcing

	his security without payment of the stamp duty or any penalty in respect thereof, unless he had notice or, but for his negligence, might have discovered, that the debenture was not duly stamped, but in such case the company shall be liable to pay the proper stamp duty and penalty. (6) Nothing in this section shall prejudice any power to issue debentures in place of any debentures paid off or otherwise satisfied or extinguished which, by its debentures or the securities for the debentures, is reserved to a company.

Right of debenture holders and shareholders as to the register of holders.	265. (1) Every register of holders of debentures of a company shall, except when duly closed, be open to the inspection of the registered holders of such debentures and of any holder of shares in the company, but subject to such reasonable restrictions as the company may in general meeting impose, so that not less than two hours in each day shall be allowed. (2) For the purposes of subsection (1), a register shall be deemed to be duly closed if closed in accordance with provisions contained in the articles or in the debentures or, in the case of debenture stock, in the stock certificates, or in the trust deed or other documents securing the debentures or debenture stock, during such period or periods, not exceeding in the whole thirty days in any year, as may be therein specified. (3) Every registered holder of debentures and every holder of shares in a company may require a copy of the register of the holders of debentures of the company or any part thereof on payment of such fees as the Board may prescribe. (4) A copy of any trust deed for securing any issue of debentures shall be forwarded to every holder of such debentures at his request on payment of such fees as may be prescribed by the Board or, where the trust deed has not been printed, on payment of such fees as the Board may prescribe. (5) If inspection is refused, or a copy is refused or not forwarded, the company and every officer of the company who is in default shall be guilty of an offence and be liable to a fine. (6) Where a company is in default, the court may, by order, compel an immediate inspection of the register or direct that the copies required shall be sent to the person requiring them.

Meetings of debenture holders.	266. (1) The terms of any debenture or trust deed may provide for the convening of general meetings of the debenture holders and for the passing, at such meetings, of a resolution binding on all the holders of the debentures of the same class. (2) Whether or not the debentures or trust deed contain such provisions as are referred to in subsection (1), the Board may at any time direct a meeting of the debenture holders of any class to be held and conducted in such manner as the Board thinks fit, to consider ancillary or consequential directions as it shall think fit. (3) Notwithstanding anything contained in a debenture trust deed, or in any debenture or contract or instruments, the trustee of a debenture deed shall, on the requisition of persons holding, at the date of the deposit of the requisition, debentures covered by the trust deed which carry not less than one-tenth of the total voting rights attached to all the issued and outstanding debentures of that class, forthwith, proceed duly to convene a meeting of that class of debenture holders.
	Fixed and floating charges

Meaning of "floating" and "fixed" charges.	267. (1) "A floating charge" means an equitable charge over the whole or a specified part of the company's undertakings and "assets", including cash and uncalled capital of the company, both present and future, but the charge shall not preclude the company from dealing with such assets until– (a) the security becomes enforceable, and the holder thereof, pursuant to a power in that behalf in the debenture or the deed securing the debenture, appoints a receiver or manager or enters into possession of the assets; (b) the court appoints a receiver or manager of the assets on the application of the holder; or (c) the company goes into liquidation. (2) On the happening of any of the events mentioned in subsection (1), the charge shall be deemed to crystallise and to become a fixed equitable charge on such of the company's assets as are subject to the charge. (3) If a receiver or manager is withdrawn with the consent of the chargee, or the chargee withdraws from possession before the charge has been fully discharged, the charge shall then be deemed to cease to be a fixed charge and again to become a floating charge.
Fixed over floating charge.	268. A fixed charge on any property shall have priority over a floating charge affecting that property, unless the terms on which the floating charge was granted prohibited the company from granting any later charge having priority over the floating charge and the person in whose favour the later charge was granted had actual notice of that prohibition at the time when the charge was granted to him.

Powers of court to appoint receiver or manager.	269. (1) Whenever a fixed or floating charge has become enforceable, the court shall have power to appoint a receiver and, in the case of a floating charge, a receiver and manager of the assets subject to the charge. (2) In the case of a floating charge, the court may, notwithstanding that the charge has not become enforceable, appoint a receiver or manager if satisfied that the security of the debenture holder is in jeopardy; and the security of the debenture holder shall be deemed to be in jeopardy if the court is satisfied that events have occurred or are about to occur which renders it unreasonable in the interest of the debenture holder that the company should retain power to dispose of its assets. (3) A receiver or manager shall not be appointed as a means of enforcing debentures not secured by any charge. (4) Where an application is made to the court to appoint a receiver on behalf of debenture holders or other creditors of a company which is being wound up by the court, the official receiver may be appointed.
Advertisement of appointment of receiver and manager.	270. Where a receiver or a receiver and manager is appointed by the court, advertisement to this effect shall be made by the receiver or the receiver and manager in the Gazette and in two newspapers with national circulation.

Preferential payment to debenture holders in certain cases.	271. (1) Where a receiver is appointed on behalf of the holders of any debentures of a registered company secured by a floating charge, or possession is taken by, or on behalf of those debenture holders of any property comprising or subject to the charge, then if the company is not, at the time being wound up, the debts which in every winding up are under the provisions relating to preferential payments in Part XVI to be paid in priority to all other debts, shall be paid out of any assets coming into the hands of the receiver or other person taking possession in priority to any claim for principal or interest in respect of the debentures. (2) In the application of the provisions relating to preferential payments– (a) section 438 shall be construed as if provision for payment of accrued holiday remuneration becoming payable on the termination of employment before or by the effect of the winding-up order or resolution, were a provision for payment of such remuneration becoming payable on the termination of employment before or by the effect of appointment of the receiver or possession being taken; and (b) the periods of time mentioned therein shall be reckoned from the date of the appointment of the receiver or possession being taken, as the case may be, and if such date occurred before the commencement of this Act, the provisions relating to preferential payments which would have applied but for this Act shall be deemed to remain in force. (3) Any payments made under this section shall be recouped as far as may be out of the assets of the company available for payment of general creditors.

Execution of debenture trust deed.	272. (1) Every company which offers debentures to the public for subscription or purchase shall, before issuing any of the debentures, execute a debenture trust deed in respect of them and procure the execution of the deed by the trustee for the debenture holders appointed by the deed. (2) No debenture trust deed shall cover more than one class of debentures, whether or not the trust deed is required by this section to be executed. (3) Where a trust deed is required to be executed by this section but has not been executed, the court, on the application of a debenture holder concerned, may– (a) order the company to execute a trust deed; (b) direct that a person nominated by the court shall be appointed to be a trustee; and (c) give such consequential directions as it thinks fit, as to the contents of the trust deed and its execution by the trustee. (4) For the purposes of this Act, debentures shall belong to different classes if different rights attach to them in respect of– (a) the rate of, or dates for payment of interest; (b) the dates when, or the instalments by which, the principal of the debenture shall be repaid, unless the difference is solely that the class of debentures shall be repaid during a stated period of time and particular debentures may be repaid at different dates during that period according to selections made by the company or by drawings, ballot or otherwise; (c) any right to subscribe for or convert the debentures into shares in, or other debentures of, the company or any other company; or (d) the powers of the debenture holders to realise any security. (5) Debentures further belong to different classes–

	(a) if they do not rank equally for payment when any security invested in the debenture by holders under any trust deed is realised; or (b) when the company is wound up, or in circumstances where the security may be realised, pursuant to paragraph (d) of subsection (4) the subject matter of such security or the proceeds thereof, or any assets available to satisfy the debentures, is or are not to be applied in satisfying the debentures strictly in proportion to the amount of principal, premiums and arrears of interest to which the holders are respectively entitled. (6) A debenture is covered by a trust deed if the holder of the debenture– (a) is entitled to participate in any money payable by the company under the deed; or (b) is entitled to the benefit of any mortgage, charge or security created by the deed, whether alone or together with other persons. (7) If a company issues debentures in circumstances in which this section requires a debenture trust deed to be executed without such a deed having been executed in compliance with this section, or if the company issues debentures under a trust deed which covers two or more classes of debentures, each director of the company who is in default commits an offence and is liable on conviction to a fine.

Contents of debenture trust deed.	273. (1) Every debenture trust deed, whether required by section 154 or not, shall state– (a) the maximum sum which the company may raise by issuing debentures of the same class; (b) the maximum discount which may be allowed on the issue or re-issue of the debentures, and the maximum premium at which the debentures may be made redeemable; (c) the nature of any assets over which a mortgage, charge or security is created by the trust deed in favour of any person other than the trustee for the benefit of the debenture holders equally, except where such a charge is a floating charge or a general floating charge, the identity of the assets subject to it; (d) the nature of any assets over which a mortgage, charge or security has been or will be created in favour of any person other than the trustee for the benefit of the debenture holders equally, and except where such a charge is a floating charge or a general floating charge, the identity of the assets subject to it; (e) whether the company has created or will create any mortgage, charge or security for the benefit of some, but not all, of the holders of debentures issued under the trust deed; (f) any prohibition or restriction on the power of the company to issue debentures or to create mortgages, charges or any security on any of its assets ranking in priority to, or equally with, the debentures issued under the trust deed; (g) whether the company shall have power to acquire debentures issued under the trust deed before the date of their redemption and to re-issue the debentures; (h) the rate of and the dates on which interest on the debentures issued under the trust deed shall be paid, and the manner in which payment may be made;

	(i)the date or dates on which the principal of the debentures issued under the trust deed shall be repaid, and unless the whole principal is to be repaid to all the debenture holders at the same time, the manner in which redemption shall be effected, whether by the payment of equal instalments of principal in respect of each debenture, or by the selection of debentures for redemption by the company or by drawing, ballot, or otherwise; (j)in the case of convertible debentures, the dates and terms on which the debentures may be converted into shares and the amounts which may be credited or paid up on those shares by virtue of the debentures held by them; (k)the circumstances in which the debenture holders shall be entitled to realise any mortgage, charge or security invested in the trustee or any other person for their benefit (other than the circumstances in which they are entitled to do so by this Act); (l) the powers of the company and trustee to call meetings of the debenture holders and the rights of debenture holders to require the company or the trustee to call such meetings; (m) whether the rights of debenture holders may be altered or abrogated and if so, the conditions which must be fulfilled, and the procedure which must be followed, to effect such an alteration or abrogation; and (n) the amount or rate of remuneration to be paid to the trustee and the period for which it shall be paid, and whether it shall be paid in priority to the principal, interest and costs in respect of debentures issued under the trust deed. (2) If debentures are issued without a covering debenture trust deed being executed, the statements required by subsection (1) shall be included in each debenture or in a note forming part of the same document or endorsed on it, and in applying that subsection references to “the debenture trust deed” shall be

	construed as references to all or any of the debentures of the same class. (3) Subsection (2) shall not apply if the debenture is the only debenture of the class to which it belongs which has been or may be issued, and the rights of the debenture holder may not be altered or abrogated without his consent. (4) Any director involved in the issue of a debenture in violation of this section shall be guilty of an offence.

Contents of debentures covered by trust deed.	274. (1) Every debenture covered by a debenture trust deed shall state, either in the body or in a note forming part of the same document or endorsed on it– (a) the matters required to be stated in a debenture trust deed by paragraphs (a), (b), (f), (h), (i), (j), (l) and (m) of subsection (1) of section 156; (b) whether the trustee of the covering debenture trust deed holds the mortgages, charges and securities vested in him by the trust deed in trust for the debenture holders equally, or in trust for some only of the debenture holders, and if so, which debenture holders; and (c) whether the debenture is secured by a general floating charge vested in the trustee of the covering debenture trust deed or in the debenture holders. (2) A debenture issued by a company shall state on its face in clearly legible print that it is unsecured if no mortgage, charge or security is vested in the holder of the debenture or in any other person for his benefit as security for payment of principal or interest. (3) Any director of a company who is involved in the issue of a debenture in violation of subsections (1) and (2) shall be guilty of an offence and be liable on conviction to a fine.

Trustees for debenture holders.	275. (1) Whether or not a debenture is secured by a charge over the company's property, it may be secured by a trust deed appointing trustees for the debenture holders. (2) It shall be the duty of such trustees to safeguard the rights of the debenture holders and, on behalf of and for the benefit of the debenture holders, to exercise the rights, powers and discretions conferred upon them by the trust deed. (3) Charges securing the debentures may be created in favour of the debenture holders by vesting them in the trustees. (4) Notwithstanding anything contained in the debentures or trust deed, the court may, on the application of any debenture holder or of the Board remove any trustee and appoint another in his place if satisfied that such trustee has interests which conflict or may conflict with those of the debenture holders or that for any reason it is undesirable that such trustee should continue to act; but that where the application is made by a debenture holder, the court if it thinks fit, may order the applicant to give security for the payment of the costs of the trustee and may direct that the application shall be heard in chambers.

Disqualification for appointment as trustee of debenture trust deed.	276. (1) A person is not qualified for appointment as a trustee of a debenture trust deed if he is– (a)an officer or an employee of the company which issues debentures covered by the trust deed or of a company in the same group of companies as the company so issuing debentures; (b) less than 18 years of age; (c) of unsound mind and has been so found by a court; (d) an undischarged bankrupt; (e) disqualified under section 218 from being appointed as a director of a company; (f) a substantial shareholder (as defined in section 81) of the company. (2) If a trustee becomes subject to any of the disqualifications mentioned in subsection (1) after he has been appointed, he shall immediately cease to be qualified to act as a trustee of the debenture trust deed. (3) Any person who acts as a trustee of a debenture trust deed shall be guilty of an offence if his appointment is invalid under subsection (1) or if he is disqualified from acting under subsection (2).

Rights of debenture holders.	277. (1) The trustee of a debenture trust deed shall hold all contracts, stipulations and undertakings given to him and all mortgages, charges and securities vested in him in connection with the debentures covered by the deed, or some of those debentures, exclusively for the benefit of the debenture holders concerned (except in so far as the deed otherwise provides); and the trustee shall exercise due diligence in respect of the enforcement of those contracts, stipulations, undertakings, mortgages, charges and securities and the fulfilment of his functions generally. (2) A debenture holder may sue– (a) the company which issued the debentures he holds for payment of any amount payable to him in respect of the debentures; or (b) the trustee of the debenture trust deed covering the debentures he holds or compensation for any breach of the duties which the trustee owes him, and in such action, it shall not be necessary for any other debenture holders of the same class, or if the action is brought against the company, the trustee of the covering trust deed, to be joined as a party.

Liability of trustees for debenture holders.	278. (1) Subject to this section, anything contained in a trust deed for securing an issue of debentures, or in any contract with the holders of debentures secured by a trust deed, shall be void in so far as it would have the effect of exempting a trustee from or indemnifying him against liability for breach of trust, where he fails to show the degree of care and diligence required of him as trustee, having regard to the provisions of the trust deed conferring on him any powers, authority or discretion. (2) Subsection (1) shall not invalidate– (a) any release otherwise validly given in respect of anything done or omitted to be done by a trustee before the giving of the release; or (b) any provision enabling such a release to be given– (i) on the agreement thereto of a majority of not less than three-quarters in value of the debenture holders present and voting in person or, where proxies are permitted, by proxy at a meeting summoned for the purpose; and (ii) either with respect to specific acts or omissions or on the trustee dying or ceasing to act. (3) Subsection (1) shall not operate to– (a) invalidate any provision in force at the commencement of this Act in such trust deed or contract, so long as any person entitled to the benefit of that provision, or afterwards given the benefit under subsection (4), remains a trustee of the trust deed in question; or (b) deprive any person of any exemption or right to be indemnified in respect of anything done or omitted to be done by him, while such provision was in force.

	(4) While any trustee of a trust deed remains entitled to the benefit of a provision saved by subsection (3), the benefit of that provision may be given– (a) to all trustees of the deed, present and future; or (b) to any named trustees or proposed trustees thereof, by a resolution, passed by a majority of not less than three-quarters in value of the debenture holders present in person or, where proxies are permitted by proxy at a meeting summoned for the purpose in accordance with the provisions of the trust deed or, if the trust deed makes no provision for summoning meetings, a meeting summoned for the purpose in any manner approved by the court.

Restrictions on transferability of debentures.	279. (1) Except as expressly provided in the terms of any debenture, debentures shall be transferable without restriction by a written transfer in common form so that the transferee shall be entitled to the debenture, and to the moneys secured thereby without regard to any equities, set-off, or cross-claim between the company and the original or any intermediate holder. (2) The terms of any debenture may impose restrictions of any nature whatsoever on the transferability of debentures, including power for the company to refuse to register any transfer and provisions for compulsory acquisition or rights of first refusal in favour of other debenture holders, or members or officers of the company; but if any restriction is imposed on the right to transfer any debenture, notice of the restriction shall be endorsed on the face of the debenture or debenture stock certificate and in the absence of such endorsement, the restriction shall be ineffective as regards any transferee for value, whether or not he has notice of the restriction.
	Provisions as to the company's register of charges, debenture holders and as to copies of instruments creating charges
Company to keep copies of instruments creating charges.	280. Every company shall cause a copy of every instrument creating any charge requiring registration under this Part to be kept at the registered office of the company; but, in the case of a series of uniform debentures, a copy of one debenture of the series shall be sufficient.

Company's register of charges.	281. (1) Every limited company shall keep at the registered office of the company, a register of charges and enter in it all charges specifically affecting property of the company and floating charges on the undertaking or any property of the company, giving in each case a short description of the property charged, the amount of the charge, and, except in the case of securities to bearer, the names of the persons entitled thereto. (2) If any officer of the company knowingly and wilfully authorises or permits the omission of any entry required to be made in pursuance of this section, he shall be guilty of an offence.
Inspection of register and copies of instruments.	282. (1) The copies of instruments creating any charge requiring registration with the Board under this Part and the register of charges kept in pursuance of section 281, shall be open during business hours (but subject to such reasonable restrictions as the company in general meeting may impose, so that not less than 2 hours each day shall be allowed for inspection) to inspection by any creditor or member of the company without fee and the register of charges shall also be open to inspection by any other person on payment of such fee as the Board may prescribe for each inspection. (2) If inspection of copies of instruments creating charges or of the register is refused, every officer of the company who is in default shall be guilty of an offence and be liable to a fine for each day during which the refusal continues.

Register of debenture. holders.	283. (1) A company which issues or has issued debentures shall maintain a register of the holders of the debentures. (2) The register shall contain the following information:– (a) the names and addresses of the debenture holders; (b) the principal of the debentures held by each of them; (c) the amount or the highest amount of any premium payable on redemption of the debentures; (d) the issue price of the debentures and the amount paid up on the issue price; (e) the date on which the name of each person was entered on the register as a debenture holder; and (f) the date on which each person ceased to be a debenture holder. (3) The entry required under this section shall be made within 30 days of the conclusion of the agreement with the company to become a debenture holder or within 30 days of the date on which he ceases to be one.

Inspection of the register of debentures, etc.	284. (1) Every register of holders of debentures of a company shall, except when duly closed (but subject to such reasonable restrictions as the company may in general meeting impose, so that not less than two hours each day shall be allowed for inspection), be open to the inspection of the registered holders of such debentures or any holder of shares in the company without fee, and of any other person on payment of such fee not exceeding NLe 20 as may be determined by the company. (2) Any registered holder of debentures or any other person may require a copy of the register of the holders of debentures of the company or any part thereof on payment of such as may be determined by the company. (3) A copy of any trust deed for securing any issue of debentures shall be forwarded to every holder of such debentures at his request on payment– (a) in the case of a printed trust deed, of such fee as may be determined by the company; or (b) where the trust deed has not been printed, on payment of such fee as may be determined by the company. (4) If inspection is refused, or a copy is refused or not forwarded, the company and every officer of the company who is in default shall be guilty of an offence and liable to a fine and, in case of a continuing default, to a further fine during which the default continues. (5) Where a company is in default, the court convicting may, by order, compel an immediate inspection of the register or direct that the copies required shall be sent to the person requiring them. (6) For the purposes of this section, a register shall be deemed to be duly closed in accordance with provisions contained in the articles or in the debentures or, in the case of debenture stock, in the stock certificates, or in the trust deed or other document

	securing the debentures or debenture stock, during such periods, not exceeding in the whole 30 days in any year as may be therein specified.

Entry in register of transferees.	285. On the application of the transferor of any debenture in a company, the company shall enter in its register of debenture holders the name of the transferee in the same manner and subject to the same condition as if the application for the entry were made by the transferee.
Notice of refusal to register.	286. (1) If a company refuses to register a transfer of any debentures, the company shall, within two months after the date on which the transfer was lodged with the company, send to the transferee notice of the refusal. (2) If any default is made in complying with subsection (1), the company and every officer of the company who is in default shall be guilty of an offence.
	Registration of charges with the Board

Registration of charges created by companies.	287. (1) Subject to this Part, every charge created by a company being a charge to which this section applies shall, so far as any security on the company's property or undertaking is conferred, be void against the liquidator and any creditor of the company, unless the prescribed particulars of the charge together with the instrument, if any, by which the charge is created or evidenced or by a copy verified in the prescribed manner have been or are delivered to or received by the Board for registration in the manner required by this Act within 21 days after the date of its creation but without prejudice to any contract or obligation for repayment of the money thereby secured and when a charge becomes void under this section, the money thereby secured shall immediately become payable. (2) This section applies to the following charges:– (a) a charge for the purpose of securing any issue of debentures; (b) a charge on uncalled share capital of the company; (c) a charge created or evidenced by an instrument which, if executed by an individual, would require registration as a bill of sale; (d) a charge on land, where situate, or any interest in it, but not including a charge for rent or other periodical sum issuing out of land; (e) a charge on book debts of the company; (f) a floating charge on the undertaking or property of the company; (g) a charge on calls made but not paid; h) a charge on a ship or aircraft or any share in a ship; (i) a charge on goodwill, on a patent or a licence under a copyright. (3) In the case of a charge created out of Sierra Leone comprising solely property situated outside Sierra Leone, the delivery to and the receipt by the Board of a copy verified in the prescribed manner of the instrument by which the charge is created or evidenced, shall have the same effect for the purpose of this section as the delivery and receipt of the instrument itself, and 90

Register of particulars of charges.	288. (1) The Board shall keep, with respect to each company, a register in the prescribed form of all the charges requiring registration under this Part and shall, on payment of such fee as may be prescribed by the Board, enter in the register with respect to such charges the following particulars:– (a) in the case of a charge to the benefit of which the holders of a series of debentures are entitled, such particulars as are specified in subsection (8) of section 289; (b) in the case of any other charge– (i) if the charge was a charge created by the company, the date of its creation, and if the charge was a charge existing on property acquired by the company, the date of its creation, and the date of the acquisition of the property; (ii) the amount secured by the charge; (iii)brief particulars of the property; and (iv)the persons entitled to the charge. (2) Where a charge is registered under this Part, the Board shall issue a registration certificate setting out the parties to the charge, the amount thereby secured, with such other particulars as the Board may consider necessary; and the certificate shall be conclusive evidence of due compliance with the requirements as to registration under this Part. (3) The register kept in pursuance of this section shall be open to inspection by any person on payment of such fee, for each inspection as may be prescribed by the Board.

Duty of company to register charges.	289. (1) It shall be the duty of a company to send to the Board for registration, the particulars of every charge created by the company and of the issues of debentures of a series requiring registration under section 289, but registration of such charge may be effected on the application of any person interested therein. (2) Where registration is effected on the application of some person other than the company, that person shall be entitled to recover from the company the amount of any fees properly paid by him to the Board on the registration. (3) If any company defaults in sending to the Board for registration, the particulars of any charge created by the company or of the issues of debentures of a series requiring registration, then, unless the registration has been effected on the application of some other person, the company and every officer of the company who is in default shall be liable to a default fine not exceeding NLe 5,000.00.
Duty of company acquiring property to register a subsisting charge.	290. (1) Where a company acquires any property which is subject to a charge of any kind as would, if it had been created by the company after the acquisition of the property, have been required to be registered under this Part, the company shall cause the prescribed particulars of the charge, together with a copy (certified in the prescribed manner to be a correct copy) of the instrument, if any, by which the charge was created or is evidenced, to be delivered, to the Board for registration in the manner required by this Act within 90 days after the date on which the acquisition is completed; but, if the property is situated and the charge was created outside Sierra Leone, 90 days after the date on which the copy of the instrument could in due course of post, and if dispatched with due diligence, have been received in Sierra Leone shall be substituted for 90 days after the completion of the acquisition, as the time within which the particulars and the copy of the instrument are to be delivered to the Board. (2) If default is made in complying with this section, the company and every officer of the company who is in default shall be liable to a default fine.

Existing charges	291. (1) Where, at the date of commencement of this Act a company has property on which there is a charge particulars of which would require registration if it had been created by the company after the date of the commencement then, unless the charge has been discharged or the property has ceased to be held by the company prior to the expiration of 6 months from the date of the commencement, the company shall, within that time, cause particulars of the charge to be delivered to the Board for registration together with the document, if any, by which the charge was created or copy thereof, certified as required. (2) Every existing company shall, prior to the expiration of 6 months from the commencement of this Act, deliver to the Board for registration a statutory declaration made by a director and the secretary of the company stating whether or not there are any charges on the company's property of which particulars required to be registered under this section and confirming that particulars of any such charges have been duly delivered to the Board for registration. (3) In the event of default in complying with subsection (2), the company and every officer of the company who is in default shall be guilty of an offence. (4) Failure to comply with the provisions of this section shall not affect the validity of the charge.

Charges to secure fluctuating amounts.	292. Where a charge, particulars of which require registration under section 289, is expressed to secure all sums due or to become due or some other uncertain or fluctuating amount the particulars required under paragraph (a) of subsection (8) of section 170 state the maximum sum deemed to be secured by such charge (being the maximum sum covered by the stamp duty paid on it) and such charge shall be void, so far as any security on the company's property is thereby conferred, in respect of any excess over the stated maximum; but if– (a) additional stamp duty is subsequently paid on such charge; and (b) at any time thereafter prior to the commencement of the winding up of the company, amended particulars of the charge stating the increased maximum sum deemed to be secured thereby (together with the original instrument by which the charge was created or evidenced) are delivered to the Board for registration, then, as from the date of such delivery the charge, if otherwise valid, shall be effective to the extent of such increased maximum sum except as regards any person who, prior to the date of such delivery, has acquired any proprietary rights in, or a fixed or floating charge on, the property subject to the charge.
Endorsement of registration.	293. (1) The company shall cause a copy of every certificate of registration given under section 289 to be endorsed on every debenture or certificate of debenture stock which is issued by the company and the payment of which is secured by the charge so registered. (2) Nothing in subsection (1) shall be construed as requiring a company to cause a certificate of registration of any charge so as to be endorsed on any debenture or certificate of debenture stock issued by the company before the charge was created. (3) If any person knowingly and wilfully authorises or permits the delivery of any debenture or certificate of debenture stock which under this section is required to have endorsed on it a copy of a

	certificate without prejudice to any other liability, he shall be guilty of an offence.
Entries of satisfaction of charges.	294. If the Board is satisfied with respect to any registered charge that– (a) the debt for which the charge was given has been paid or satisfied in whole or in part; or (b) part of the property or undertaking charged has been released from the charge or has ceased to form part of the company's property or undertaking, it may enter on the register a memorandum of satisfaction to the extent necessary to give effect thereto, and where it enters a memorandum of satisfaction, it shall, if required, furnish the company with a copy of the entry, and such entry shall have effect, subject to the requirement of any other enactment as to registration.
	Registration of Charges and Fee Reform

Single filing and unified registration of charges	295. (1) A charge, debenture, or other registrable security interest created by a company shall be registered through a single filing with the Board. (2) A registration effected under subsection (1) is recognised for the purposes of this Act and any other enactment governing secured transactions, to the extent provided by law. (3) A person is not required to register the same charge or security interest more than once solely by reason of overlapping registration regimes.
Scope of registrable interests	296. (1)This Part applies to– (a) charges created by a company over its property or undertaking; (b) debentures and debenture stock; (c) mortgages and other security instruments to the extent that company law applies; and (d) such other security interests as may be prescribed. (2) Nothing in this section affects the substantive validity of a security interest under any other enactment.
Service standards and processing timelines	297. (1)The Board shall process applications for registration of charges within 14 days of receipt of the application and payment of the prescribed fees. (2)Where the Board fails to register or refuses registration within the prescribed period, the charge shall be deemed registered, subject to later verification. (3)The Board shall by way of statutory instrument determine service standards and forms relating to charge registration and report annually on compliance.

Unified fee basis for registration of charges	298. (1)Fees payable for registration of charges shall be administrative service charges based on cost recovery and published in the gazette or two local newspapers with wide circulation. (2) A fee under subsection (1) shall not be calculated by reference to the value of the secured obligation or the amount secured. (3)Fees shall be capped and tiered in accordance with a statutory instrument on fees and charges.
Priority and notice rules	299. (1)Registration of a charge under this Part constitutes notice to the public of the existence of the charge. (2)Priority between competing security interests shall be determined in accordance with the applicable priority rules under this Act and other relevant enactments. (3)Nothing in this section alters substantive priority rules prescribed by law.
Transitional registration of existing charges	300. (1)A charge registered before the commencement of this section remains valid. (2)The Board may require re-submission of prescribed data fields for harmonisation purposes. (3)No additional fee shall be payable solely for compliance with subsection (2).

Rectification and late registration	301. (1)The Court may, on application, permit rectification of the register or late registration of a charge where– (a) the failure to register was inadvertent or due to reasonable cause; and (b) no material prejudice is caused to creditors. (2)The Court may impose conditions, including payment of prescribed fees.
Offences and penalties	302. A person who knowingly provides false information in connection with the registration of a charge commits an offence. (2)Penalties under this section shall be proportionate and prescribed by regulations.
Rectification of register.	303. The court may, on being satisfied that the omission– (a) to register a charge within the time required by this Act; (b) or misstatement of any particulars with respect to any such charge or in a memorandum of satisfaction was accidental, or due to inadvertence or to some other sufficient cause; (c) is not of a nature to prejudice the position of creditors or shareholders of the company, or that on other grounds it is just and equitable to grant relief, on the application of the company or any person interested and on such terms and conditions as seems to the court, in its just and expedient order, that the time for registration shall be extended or, as the case may be, that the omission or misstatement shall be rectified and may make such order as to costs of the application as it thinks just.

Inspection of register and copies of instruments.	304. (1) The copies of instruments creating any charge requiring registration with the Board and the register of charges kept in pursuance of section 283 shall be open during business hours (but subject to such reasonable restrictions as the company in general meeting may impose, so that not less than 2 hours in each day shall be allowed for inspection) to inspection by any creditor or member of the company without fee, and the register of charges shall also be open to inspection by any other person on payment of such fee for each inspection, as the company may determine. (2) If inspection of copies of instruments creating charges or of the register is refused, every officer of the company who is in default shall be guilty of an offence and be liable to a fine for each day during which the refusal continues and the court may by order compel an immediate inspection of the copies of the register. (3) If any refusal occurs in relation to a company incorporated or registered in Sierra Leone and an instrument creates a charge over any of its property in Sierra Leone, and the refusal relates to that charge, the court may by order compel an immediate inspection of the copies or register. (4) The registration of any particulars of charges under this Part shall constitute actual notice of such particulars but not of the contents of any document referred to in the particulars or delivered with the registration, to all persons and for all purposes as from the date of registration.

Realisation of debenture holder's security.	305. (1) A debenture holder shall be entitled to realise any security vested in him or in any other person for his benefit if– (a) the company fails to pay any instalment of interest, or the whole or part of the principal or any premium, owing under the debenture or the debenture trust deed covering the debenture within one month after it becomes due; (b) the company fails to fulfil any of the obligations imposed on it by the debentures or the debenture trust deed; (c) any circumstances occur which, by the terms of the debentures or debenture trust deed, entitled the holder of the debenture to realise his security; or (d) the company is wound up. (2) A debenture holder whose debenture is secured by a general floating charge vested in him or the trustee of the covering debenture trust deed or any other person shall additionally be entitled to realise his security if– a. any creditor of the company issues a process of execution against any of its assets or commences proceedings for winding up of the company by order of any court; b. the company ceases to pay its debts as they fall due; c. the company ceases to carry on business; d. the company suffers, after the issue of debentures of the class concerned, losses or diminution in the value of its assets which in the aggregate amount to more than one-half of the total amount owing in respect of debentures of the class held by the debenture holder who seeks to enforce his security and debentures whose holder ranks before him for payment of principal or interest; or e. any circumstances occur which entitles a debenture holder who ranks for payment of principal or interest in priority to the

	debentures secured by the general floating charges to realise his security.

Remedies available to debenture holders.	306. (1) At any time after a debenture holder or a class of debenture holders becomes entitled to realise his security, a receiver of any assets subject to a mortgage, charge or security in favour of the class of debenture holders or the trustee of the covering trust deed or any other person may be appointed by– (a) that trustee; (b) the holders of debentures of the same class containing the power to appoint; (c) debenture holders having more than one-half of the total amount owing in respect of all the debentures of the same class; or (d) the court on the application of the trustee. (2) Subject to any conditions imposed in the debenture or debenture trust deed, a debenture holder or a trustee in the case of a trust deed may– a.bring an action in a representative capacity against the company for payment and enforcement of the security; or b.realise his security by– i. bringing a foreclosure action; or ii. commencing a winding-up proceeding. iii. A receiver appointed under this section shall have, subject to any order made by the court, power to take possession of the assets subject to the mortgage, charge or security and to sell those assets and, if the mortgage, charge or enforce claims vested in the company, to compromise, settle and enter into arrangements in respect of claims by or against the company's business with a view to selling it on the most favourable terms, to grant or accept leases of land and licences in respect of

	patents designs and to recover any instalment unpaid on the company's issued shares. iv. Where a representative action is being brought under paragraph (a) of subsection (2), the approval of the court shall be obtained where the company is being wound up. v. The remedies given by this section shall be in addition to, and not in substitution for, any other powers and remedies conferred on the trustee of the debenture trust deed or on the debenture holders by the debentures or debenture trust deed, and any power or remedy which is expressed in any instrument to be exercisable if the debenture holders become entitled to realise their security is exercisable on the occurrence of any of the events specified in subsection (1) of section 180, or in the case of a general charge in subsections (1) and (2) of section 180 but a manager of the business or of any of the assets of a company may not be appointed for the benefit of debenture holders unless a receiver has also been appointed and has not ceased to act. (6) No provision in any instrument which purports to exclude or restrict the remedies given by this section shall be valid.

Delivery of debentures or certificates of debenture stock.	307. (1) Every company shall, within 60 days after the allotment of any of its debentures or after the registration of the transfer of any debentures, deliver to the registered holder thereof, the debenture or a certificate of the debenture stock under the common seal of the company. (2) If a debenture or debenture stock certificate is defaced, lost or destroyed, the company at the request of the registered holder of the debenture, shall issue a certified copy of the debenture or renew the debenture stock certificate on payment of a fee not exceeding NLe 20 and on such terms as to evidence and indemnity and the payment of the company's out-of-pocket expenses of investigating evidence as the company may reasonably require. i. If default is made in complying with this section, the company and any officer of the company who is in default shall be liable to a fine not exceeding NLe3,000 and on application by any person entitled to have the debentures or debenture stock certificate delivered to him, the court may order the company to deliver the debenture or debenture stock certificate and may require the company and such officer to bear all the costs of and incidental to the application. ii. Every debenture shall include a statement on the following matters:– (b) the principal amount borrowed; (c) the maximum discount which may be allowed on the issue or re-issue of the debentures, and the maximum premium at which the debentures may be made redeemable; (d) the rate of and the dates on which interest on the debentures issued shall be paid, and the manner in which payment shall be made;

	(e) the date on which the principal amount shall be repaid or the manner in which redemption shall be effected, whether by the payment of instalments of principal or otherwise; (f) in the case of convertible debentures, the date and terms on which the debentures may be converted into shares and the amounts which may be credited as paid up on those shares, and the dates and terms on which the holders may exercise any right to subscribe for shares in right of the debentures held by them; (g) the charges securing the debenture and the conditions subject to which the debenture shall take effect. i. Statements made in debenture or debenture stock certificates shall be prima facie evidence of the title to the debentures of the person named therein as the registered holder and of the amounts secured thereby. ii. If any person changes his position to his detriment in reliance in good faith on the continued accuracy of any statements made in the debenture or debenture stock certificate, the company shall be estopped in favour of such person from denying the continued accuracy of such statements and shall compensate such person for any loss suffered by him in reliance thereon and which he would not have suffered had the statement been or continued to be accurate. iii. Nothing in subsection (6) shall derogate from any right the company may have to be indemnified by any other person. iv. A contract with a company to take up and pay for any debentures of the company may be enforced by an order for specific performance. v. If any person obtains an order for the appointment of a receiver or manager of the property of a company or appoints such a receiver or manager under any power contained in any instrument, he shall, within 7 days from the date of the order or

	of the appointment under the power, give notice of the fact to the Board; and the Board shall, on the payment of the prescribed fee enter the fact in the register of charges. vi. Where any person appointed a receiver or manager of the property of a company under any power contained in any instrument ceases to act as a receiver or manager, he shall, on so ceasing, give the Board notice to that effect; and the Board shall enter the notice in the register of charges.

	PART XII–MEETINGS AND PROCEEDINGS
	Statutory meetings

Statutory meetings	308. (1) Every public company shall, within a period of 6 months from the date of its incorporation, hold a general meeting of the members of the company (in this Act referred to as "the statutory meeting"). (2)The directors shall, at least 21 days before the day on which the statutory meeting is held, forward to every member of the company the statutory report (in this Act referred to as the "statutory report"). (3)The statutory report shall be certified by not less than 2 directors or by a director and the Secretary of the company and shall state– i. the total number of shares allotted, distinguishing shares allotted as fully or partly paid up otherwise than in cash, and stating in the case of shares partly paid up the extent to which they are so paid up, and in either case the consideration for which they have been allotted; ii. the total amount of cash received by the company in respect of all the shares allotted, distinguished; iii. the names, addresses and descriptions of the directors, auditors, managers, if any, and the Secretary of the company; iv. the particulars of any pre-incorporation contracts together with the particulars of any modification or proposed modification of the contracts; v. any underwriting contract that has not been carried out, and the reasons for that; vi. the arrears, if any, due on calls from every director; vii. the particulars of any Board or brokerage paid or to be paid in connection with the issue or sale of shares or debentures to any director or to the manager.

	(4)The report shall also contain an abstract of the receipts of the company and of the payments made from them up to a date within 7 days of the date of the report, exhibiting under distinctive headings the receipts of the company from shares and debentures and other sources, the payments made from such receipts and particulars concerning the balance remaining in hand, and an account or estimate of the preliminary expenses of the company. (5)The statutory report shall, so far as it relates to- i. the shares allotted by the company; ii. the cash received in respect of such shares; and iii. the receipt and payments of the company on the capital account should be certified as correct by the auditors of the company. (6)The directors shall cause a copy of the statutory report, certified as required by this section, to be delivered to the Board for registration forthwith after the sending of copies to the members of the company. (7)The directors shall cause a list showing the names, descriptions and addresses of the members of the company, and the number of shares held by them respectively, to be produced at the commencement of the meeting and to remain open and accessible to any member of the company during the continuance of the statutory meeting. (8)The members of the company present at the statutory meeting shall be at liberty to discuss any matter relating to the formation of the company, and its commencement of business or arising out of the statutory report. (9)Any member who wishes a resolution to be passed on any matter arising out of the statutory report shall give further 21 days'

	notice from the date on which the statutory report was received by the company of his intention to propose such a resolution. (10) The statutory meeting may adjourn from time to time and at any adjourned meeting any resolution of which notice has been given in accordance with the articles, either before or subsequent to the former meeting, may be passed, and the adjourned meeting shall have the same powers as an original meeting.

Non-compliance and penalty.	309. (1) if a company fails to comply with the requirements of section 307, the company and any officer in default shall be liable to a default fine for each day during which the default continues. (2) If default is made in holding a statutory meeting within the time stipulated in section 311, the Board may, on the application of any member of the company, call or direct the calling of a statutory meeting and give ancillary or consequential directions as it thinks expedient.
	General Meetings

Annual general meeting.	310. (1) Every company shall, in each year, hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notice calling it. i. Not more than 15 months shall elapse between the date of one annual general meeting and that of the next. ii. A company need not hold an annual general meeting in the year of its incorporation or in the following year, provided it holds its first annual general meeting within 18 months of its incorporation. (c) The Board may, upon a showing of good cause by the company, extend the time for holding an annual general meeting by a period not exceeding three months, provided the application for extension is made at least 14 days before the expiry of the statutory period. (2)A company may hold its annual general meeting physically, virtually via electronic platform, or in a hybrid format, provided that: iii. the notice of meeting provides clear instructions on how to access the electronic platform; iv. the platform allows for simultaneous visual or audio participation and the real-time casting of votes; and v. the Secretary maintains a record of electronic attendance as part of the minutes. (3)The annual general meeting shall be held not earlier than 21 days after the company's audited financial statements, the directors' report, and the auditors' report have been dispatched to all members. These documents shall be formally laid before the meeting for consideration by the members.

	(4)Notwithstanding the foregoing, a private company shall be exempt from the requirement to hold an annual general meeting for a financial year if: (a)The company is a one-man company as defined under this Act; or (b)All members entitled to attend and vote have signed an "AGM Dispensation Agreement." (i) Such agreement may be executed via electronic signature. (ii) The agreement remains valid for subsequent years until revoked by any single member giving written notice to the company at least 30 days before the end of the financial year. (5)Where an exemption under subsection (4) applies: (a)All business required to be transacted at an AGM (including the appointment of auditors and election of directors) shall be conducted via Written Resolution under Section 329(1). (b)The directors shall circulate the financial statements and reports to members within the timeframe prescribed for the filing of Annual Returns. (c)The date the last member signs the written resolution adopting the accounts shall be deemed the date of the meeting for all statutory filing purposes. (6)Notwithstanding a dispensation agreement or any provision in the company's articles, a general meeting shall be convened if members holding not less than ten percent (10%) of the total voting rights serve a written notice on the company requiring an AGM. (a)The directors must, within 21 days of the notice, send out a notice convening the meeting.

	(b)If the directors fail to convene the meeting, the requisitioning members may convene the meeting themselves, and the reasonable costs incurred shall be reimbursed by the company and deducted from the directors' remuneration. (7)If a company fails to hold a meeting as required: (a)Any member may apply to the Board to direct the calling of a meeting. (b)The Board may direct that one member present in person or by proxy shall constitute a quorum and may apply to the Court for a "Section 312 Order" to validate decisions made at such a meeting. (c) The company and every officer in default shall be liable to an administrative penalty, which shall be a debt due to the Board.

Business transacted at annual general meetings.	311. All business transacted at annual general meeting shall be deemed special business, except declaring a dividend, the presentation of the financial statements and the reports of the directors and auditors, the elections of directors in the place of those retiring, the appointment and the fixing of the remuneration of the auditors and the appointment of the members of the Audit Committee, which shall be ordinary business.
	Extraordinary general meetings

Extraordinary general meetings	312. (1) The Board of Directors may convene an extraordinary general meeting whenever they think fit, and if at any time there are not within Sierra Leone sufficient directors capable of acting to form a quorum, any director may convene an extraordinary general meeting. (2) An extraordinary general meeting of a company may be requisitioned by any member or members of the company holding at the date of the requisition not less than one-tenth of the paid up capital of the company as at the date of the deposit of the requisition carrying the right of voting, or in the case of a company not having a share capital, members of the company representing not less than one-tenth of the total voting rights of all the members having at the date a right to vote at general meetings of the company; and the directors shall on receipt of the requisition forthwith proceed to convene an extraordinary general meeting of the company, notwithstanding anything in its articles. (3)The requisition shall state the objects of the meeting and be signed by the requisitionists and be deposited at the registered office of the company, and it may consist of several documents in like form, each signed by one or more of the requisitionists. (4)If the directors do not, within 21 days from the date of the deposit of the requisition proceed duly to convene a meeting, the requisitionists, or any one or more of them representing more than one-half of the total voting rights of all of them, may themselves convene a meeting; but any meeting so convened shall not be held after the expiration of 3 months from that date. (5)A meeting convened under this section by a requisitionist or requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by directors.

	(6)Any reasonable expenses incurred by the requisitionist or requisitionists by reason of the failure of the directors duly to convene a meeting shall be repaid to the requisitionists by the company, and any sum so repaid shall be retained by the company out of any sums due or to become due from the company by way of fees or other remuneration in respect of their services to such of the directors as were in default. (7)For the purpose of this section, the directors shall, in the case of a meeting at which a resolution is to be proposed as a special resolution, be deemed not to have duly convened the meeting if they do not give such notice as is required by section 189. (8) All business transacted at an extraordinary general meeting shall be deemed special.

Place of meetings	313. Unless the company's articles otherwise provide, all general meetings shall be held in Sierra Leone.
	Notice of meetings
Length of notice for calling meetings	314. (1) The notice required for all types of general meetings from the commencement of this Act shall be 21 days from the date the notice was sent out. (2) A general meeting of a company shall, notwithstanding that it is called by a shorter notice than that specified in subsection (1), be deemed to have been duly called if it is so agreed in the case of– i. a meeting called as the annual general meeting, by all the members entitled to attend and vote there at; and ii. any other general meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent in nominal value of the shares giving a right to attend and vote at the meeting or, in the case of a company not having a share capital, together representing not less than 95 per cent of the total voting rights at that meeting of all the members. (3)No business shall be transacted at any general meeting unless notice of it has been duly given. (4) The accidental omission to give notice of a meeting or the non-receipt of notice of a meeting by any member shall not invalidate the proceedings at the meeting.

Contents of notice	315. (1) The notice of a meeting shall specify the place, date and time of the meeting, and the general nature of the business to be transacted in sufficient detail to enable those to whom it is given to decide whether to attend or not, and where the meeting is to consider a special resolution, it shall set out the terms of the resolution. (2) In the case of notice of an annual general meeting a statement that the purpose is to transact the ordinary business of an annual general meeting shall be deemed to be a sufficient specification that the business is for the declaration of dividends, presentation of the financial statements, reports of the directors and auditors, the election of directors in the place of those retiring, the fixing of the remuneration of the auditors and, if the requirements of sections 292, 293 and 294 are duly complied with, the removal and election of auditors and directors. (3)In every case in which a member is entitled, pursuant to section 197, to appoint a proxy to attend and vote instead of him, the notice shall contain with reasonable prominence, a statement that the member has the right to appoint a proxy to attend and vote instead of him and that the proxy need not be a member of the company; and if default is made in complying with this subsection as respects any meeting, every officer of the company who is in default shall be liable to a default fine. (4) An error or omission in a notice with respect to the place, date, time or general nature of the business of a meeting shall not invalidate the meeting, unless the officer of the company responsible for the error or omission acted in bad faith or failed to exercise due care and diligence; but in the case of accidental error or omission, the officer responsible shall effect the necessary correction either before or during the meeting.

Persons entitled to notice.	316. (1) The following persons shall be entitled to receive notice of general meetings– a) every member of the company; b) every person upon whom the ownership of a share devolves by reason of his being a legal representative, receiver or a trustee in bankruptcy of a member; c) every director of the company; d) every auditor for the time being of the company; and e) the Secretary. (2) No other person shall be entitled to receive notices of general meetings.

Service of notice	317. (1) A notice required to be given under subsection (1) of section 189 shall be given either personally, by post or by electronic means to the registered address, either in Sierra Leone or elsewhere, of the person entitled to receive the notice. (2) Where a notice is sent by post, service of the notice shall be deemed to be effected where a letter containing the notice has been properly addressed, prepaid, and posted and unless the contrary is proved to have been effected in the case of a notice of a meeting at the expiration of 7 days after the letter containing the notice is posted, and in any other case at the time at which the letter would be delivered in the ordinary course of post. (3)If a person has no registered address in Sierra Leone and has not supplied to the company an address within Sierra Leone for the giving of notice to him, a notice addressed to him published in the Gazette or advertised in two newspapers with wide circulation in Sierra Leone, shall be deemed to be duly given to him at noon on the day on which the later notice appears. (4)A notice may be given by the company to the joint holders of a share by giving the notice to the joint holder first named in the register of members in respect of the share. (5)A notice may be given by the company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of the representatives of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, within Sierra Leone supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which it might have been given if the death or bankruptcy had not occurred.

	(6) “Registered address” means, in the case of a member, any address supplied by him to the company for the giving of notice to him and includes an e-mail address.
Additional notice.	318. In addition to the notice required to be given to those entitled to receive it in accordance with section 190, every public company shall, at least 21 days before any general meeting,

	advertise notice of such meeting in at least two local newspapers and on the radio.
Failure to give notice.	319. Failure to give notice of any meeting to a person entitled to receive it shall invalidate the meeting unless the failure is an accidental omission on the part of the person or persons giving the notice.
Court to order meetings.	320. (1) If, for any reason, it is impracticable to call a meeting of a company or of the Board of directors in any manner in which meetings of that company or Board may be called, or to conduct the meeting of the company or Board in the manner prescribed by the articles or this Act, the court may– a) of its own motion, or b) on the application of any director of the company or of any member of the company who would be entitled to vote at the meeting, direct that a meeting of the company or Board, as the case may be, to be called, held and conducted in such manner as the Board thinks fit, and where any such directive is given may give such ancillary or consequential direction as it thinks expedient; and these may include a direction that one member of the company present in person or by proxy be deemed to constitute a meeting, either of its own motion or otherwise. (2) Any meeting called, held and conducted in accordance with an order under subsection (1) shall, for all purposes, be deemed to be a meeting of the company duly called, held and conducted.

Right to attend general meetings.	321. Notwithstanding anything to the contrary in a company's articles, the following persons shall be entitled to attend any general meeting of the company:– a) every member of the company; b) every director of the company; c) the Secretary of the company; d) every auditor of the company; and i. if the company's articles so provide, a member shall not be entitled to attend unless all calls or other moneys payable by him in respect of shares in the company have been paid; (ii) any member who is a holder of preference shares only shall not be entitled to attend if his right to do so is validly suspended under this Act; (iii) nothing in this Part shall be deemed to preclude other persons from attending any general meeting with the permission of the chairman.

Procedure of voting	322. At any general meeting, a resolution put to the vote shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by- i. the chairman, where he is a shareholder or a proxy; ii. at least three members present in person or by proxy; iii. any member or members present in person or by proxy and representing not less than one tenth of the total voting rights of all the members having the right to vote at the meeting; or iv. any member or members holding shares in the company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one tenth of the total sum paid up on all the shares conferring that right. (2) Unless a poll is so demanded, a declaration by the chairman that a resolution has on a show of hands or via electronic means been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, the resolution.

Right to demand poll	323. (1)Any provision contained in a company's articles shall be void in so far as it would have the effect either of- i. excluding the right to demand a poll at a general meeting on any question other than the election of the chairman of the meeting or the adjournment of the meeting; or ii. making ineffective a demand for a poll on any such question which is made by any of the persons mentioned in the section bearing the marginal title: *procedure of voting* in this Act. (2)The instrument appointing a proxy to vote at a meeting of a company shall be deemed also to confer authority to demand or join in demanding a poll, and for the purposes of subsection (1) of this section, a demand by a person as proxy for a member shall be the same as a demand by the member.
Voting on a poll	324. (1)On a poll taken at a meeting of a company, or a meeting of any class of members of a company, a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way. (2)Except as provided in subsection (4) of this section, if a poll is duly demanded, it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. (3)In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote. (4) A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith, and on any other question shall be taken at such time as the chairman of the meeting directs, and any business other than that upon which a

	poll has been demanded may be proceeded with pending the taking of the poll.

Proxies	325. (1) Any member of a company entitled to attend and vote at a meeting of the company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of him, and the proxy shall also have the same right as a member to speak at the meeting. (2) Unless the articles otherwise provide, subsection (1) shall not apply in the case of a company not having a share capital. (3)In every notice calling a meeting of a company having a share capital, there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy, or where that is allowed, two or more proxies, to attend and vote instead of him, and that a proxy need not be a member; and if default is made in complying with this subsection in respect of any meeting, every officer of the company who is in default shall be guilty of an offence and liable to a fine. (4)Any provision contained in a company's articles shall be void in so far as it would have the effect of requiring the instrument appointing a proxy or any other document necessary to show the validity of or otherwise relating to the appointment of a proxy, to be received by the company or any other person more than 48 hours before a meeting or adjourned meeting in order that the appointment may be effective at the meeting. (5)If for the purpose of the meeting of the company invitations to appoint as proxy a person or one of a number of persons specified in the invitations are issued at the company's expense to some only of the members entitled to be sent notice of the meeting and to vote by proxy at the meeting every officer of the company who knowingly and wilfully authorises or permits their issue shall be in default and liable to a default fine. (6)An officer shall not be liable under subsection (5) by reason only of the issue to a member at his request in writing of a form of appointment naming the proxy or of a list of persons willing to

	act as proxy if the form or list is available on request in writing to every member entitled to vote at the meeting by proxy. (7)A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority by which the proxy was executed, or of the transfer of shares in respect of which the proxy is given: Provided that no intimation in writing of such death, insanity, revocation or transfer has been received by the company before the commencement of the meeting or adjourned meeting at which the proxy is used. (8)The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised. (9)The instrument appointing a proxy in the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority shall be deposited at the registered office or the head office of the company or at such other place within Sierra Leone as is specified for that purpose in the notice convening the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, or in the case of a poll not less than 24 hours before the time appointed for the taking of the poll; and in default, the instrument of proxy shall be treated as not valid. (10) This section shall apply to meetings of any class of members of a company as it applies to general meetings of the company.

Corporation representation at meetings of companies.	326. (1) A corporation, whether a company within the meaning of this Act or not, may– i. if it is a member of another corporation being a company within the meaning of this Act, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the company or at any meeting of any class of members of the company; ii. if it is a creditor (including a holder of debentures) of another corporation, being a company within the meaning of this Act, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the creditors of the company held in pursuance of this Act or of any regulations made under it or in pursuance of any provisions contained in any debenture or trust deed, as the case may be. (2) A person authorised under subsection (1) shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual shareholder, creditor or holder of debentures of that company.

Quorum	327. (1) Unless otherwise provided in the articles, no business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business and at the time of any voting. (2) Unless otherwise provided in the articles, the quorum for the meeting of a company shall be one-third of the total number of members of the company or 25 members (whichever is less) present in person or by proxy, but where the number of members is not a multiple of three, then the number nearest to one-third, and where the number of members is 6 or less, the quorum shall be two members. (3)This section does not apply to one-person companies. (4)For the purpose of determining a quorum, all members or their proxies shall be counted. (5) If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members shall be dissolved; in any other case it shall be adjourned to the same day in the next week, at the same time and place, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall form a quorum.

Resolution	328. (1) A resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such members of the company as, being entitled to do so, vote in person or by proxy at a general meeting. (2) A resolution shall be a special resolution when it has been passed by not less than two-thirds of the votes cast by such members of the company as, being entitled to do so, vote in person or by proxy at a general meeting of which 21 days' notice, specifying the intention to propose the resolution as a special resolution, has been duly given; and, if it is so agreed by a majority in number of the members having the right to attend and vote at any such meeting, being a majority together holding not less than 95 percent in nominal value of the shares giving that right or, in the case of a company not having a share capital, together representing not less than 95 per cent of the total voting rights at that meeting of all the members, a resolution may be proposed and passed as a special resolution at a meeting of which less than 21 days' notice has been given.
Written resolutions.	329. (1) All resolutions shall be passed at general meetings and shall not be effective unless so passed; but in the case of a private company, a written resolution signed by all the members entitled to attend and vote shall be as valid and effective as if passed in a general meeting. (2) A written resolution shall be deemed to have been passed on the date on which it was signed by the last member to sign, and where the resolution states a date as the date of signature by any member, such statement shall be prima facie evidence that it was signed by that member on that date.

Circulation of members' resolutions.	330. (1) Subject to this section, it shall be the duty of a company, on the requisition in writing of such number of members as is specified in this section and (unless the company otherwise resolves) at the expense of the company, to– i. give to members of the company entitled to receive notice of the next annual general meeting notice of any resolution submitted by a member which may properly be moved and is intended to be moved at that meeting; ii. circulate to members entitled to have notice of any general meeting sent to them, any statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting, and where the statement has more than 1,000 words, to circulate a summary of it. b. The number of members necessary for a requisition under subsection (1) shall be– i. any one or more members representing not less than one twentieth of the total voting rights of all the members having at the date of the requisition a right to vote at the meeting to which the requisition relates; or ii. not less than one hundred members holding shares in the company on which there has been paid up an average sum, per member, of not less than NLe20. c. Notice of the resolution shall be given, and the statement shall be circulated, to members of the company entitled to have notice of the meeting sent to them by serving a copy of the resolution or statement on each member in any manner permitted for service of notice of the meeting: and notice of the resolution shall be given to any other member of the company by giving notice of the general effect of the resolution in any manner permitted for giving notice of meetings of the company; and the copy shall be served, or notice of the effect of the resolution shall be given, as

	the case may be, in the same manner and so far as practicable, at the same time as notice of the meeting and where it is not practicable for it to be served or given at that time, it shall be served or given as soon as practicable after that. d. A company shall not be bound under this section to give notice of any resolution or to circulate any statement unless– i. a copy of the requisition signed by the requisitionists (or two or more copies which, between them, contain the signatures of all the requisitionists) is deposited at the registered office of the company- ii. in the case of a requisition requiring notice of a resolution, not less than 6 weeks before the meeting; iii. in the case of any other requisition, not less than one week before the meeting; and i. there is deposited or tendered with the requisition, a sum reasonably sufficient to meet the company's expenses in giving effect to it and if, after a copy of a requisition requiring notice of a resolution has been deposited at the registered office of the company, an annual general meeting is called for a date 6 weeks or less after the copy has been deposited, the copy though not deposited within the time required by this subsection, shall be deemed to have been properly deposited for the purposes thereof. (5)The company shall also not be bound under this section to circulate any statement if, on the application either of the company or of any other person who claims to be aggrieved, the court if satisfied that the rights conferred by this section are being abused to secure needless publicity for defamatory matter may order the company's costs on an application under this section to be paid in whole or in part by the requisitionist, notwithstanding that the requisitionist is not party to the application.

	(6)Notwithstanding anything in the company's articles, the business which may be dealt with at an annual general meeting shall include any resolution of which notice is given in accordance with this section and for the purposes of this subsection, notice shall be deemed to have been so given, notwithstanding the accidental omission, in giving it to one or more members. (7) In the event of any default in complying with the provisions of this section, every officer of the company who is in default shall be liable to a default fine.

Resolutions requiring special notice. Registration and copies of certain resolutions	331. (1) Where by any provision in this Act, special notice is required of a resolution, a resolution shall not be effective unless notice of the intention to move it has been given to the company not less than 28 days before the meeting at which it is to be moved, and the company shall give its members notice of any such resolution at the same time and the same manner as it gives notice of the meeting or, if that is not practicable, shall give the notice either by advertisement in two local newspapers with wide circulation or in another note allowed by the articles, not less than 21 days before the meeting. (2) If, after the notice of the intention to move, such a resolution has been given to the company, a meeting is called for a date not later than 28 days or less after the notice has been given, the notice, though not given within the time required by this section, shall be deemed to have been properly given.

Resolutions requiring special notice. Registration and copies of certain resolutions	332. (1) Subject to paragraph (b) of subsection (10) of section 42, a printed copy of every resolution or agreement to which this section applies shall, within 15 days after the passing or making of the resolution or agreement, as the case may be, be registered with the Board. (2) Where pursuant to sections 40 to 42 a company by special resolution alters a provision of its memorandum and the Board is satisfied that the alteration is not in compliance with the applicable provisions of those sections, it may refuse to file a copy of the resolution in its records, and shall notify the company accordingly; and any person aggrieved by the refusal may appeal to the court within 21 days from the receipt of the notification. (3)A copy of every resolution or agreement for the time being in force shall be embodied in or annexed to every copy of the articles issued after the passing of the resolution or the making of the agreement. (4)This section applies to– i. special resolutions; ii. resolutions which have been agreed to by all the members of the company, but which, if not so agreed, would not have been effective for their purpose unless, as the case may be, they had been passed as a special resolution; or iii. resolutions or agreements which have been agreed to by all the members of any class of shareholders but which, if not so agreed to, would not have been effective for their purpose, unless they have been passed by some particular majority or otherwise in some particular manner, and all resolutions and agreements which effectively bind all the members of any class of shareholders though not agreed to by all those members; and iv. a resolution requiring the company to be wound up voluntarily, passed under paragraph (a) of subsection (1) of section 402.

	(5)If a company fails to comply with subsection (3), the company and every officer of the company who is in default shall be liable to a default fine. (6) For the purposes of subsections (4) and (5), a liquidator of the company shall be deemed to be an officer of the company.

Effect of resolutions passed at adjourned meetings.	333. (1) Where a resolution is passed at an adjourned meeting of– (a) a company; (b) the holders of any class of shares in a company; or (c) the directors of a company, the resolution shall for all purposes be treated as having been passed on the day on which it was in fact passed, and shall not be deemed to have been passed on any earlier date. (2) Where a resolution is passed on a poll, it shall for all purposes be deemed to have been passed on the day on which the result of the poll is declared, and not on any earlier day.
	Miscellaneous matters relating to meetings and proceedings
Minutes of proceedings and effect.	334. (1) Every company shall cause– i. minutes of all proceedings of general meetings; ii. all proceedings at meetings of its directors; and iii. where there are managers, all proceedings at meetings of its managers are to be entered in books kept for that purpose. (2)Any minutes, purporting to be signed by the chairman of the meeting at which the proceedings were held, or by the chairman of the next succeeding meeting, shall be prima facie evidence of the proceedings. (3)Where minutes have been made, in accordance with the provisions of this section of the proceedings at any general meeting of the company or meeting of directors or managers, then, until the contrary is proved, the meeting shall be deemed to have been duly held and convened, and all proceedings had at the meeting to have been duly had, and all appointments of directors, managers or liquidators shall be deemed to be valid. (4) If a company fails to comply with the provisions of subsection (1), the company and every officer of the company who is in default shall be guilty of an offence and liable to a fine.

Inspection of minute books and copies.	335. (1) The books containing the minutes of proceedings of any general meeting of a company held on or after the commencement of this Act, shall be kept at the registered office of the company, and shall, during business hours (subject to such reasonable restrictions as the company may by its articles or in general meeting impose, but so that not less than 6 hours in each day be allowed for inspection) be open to inspection by members without charge. (2) Any member shall be entitled to be furnished within 14 days after receipt of his request on behalf to the company, with a copy of such minutes certified by the Secretary at a charge not exceeding NLe500 for every hundred words. (3)If any inspection required under this section is refused or if any copy required under this section is not sent within the proper time, the company and every officer of the company who is in default shall be liable in respect of each default to a default fine. (4) In the case of such refusal or default, the Board may by directive compel an immediate inspection of the books in respect of all proceedings of general meetings, or direct that the copies required shall be sent to the persons requiring them.
Class of meetings.	336. This Part shall apply to any class of meetings except where expressly excluded by this Act.
	PART XIII – DIRECTORS AND SECRETARIES

Meaning of director	337. (1) A Director of a company registered under this Act is a person duly appointed by the company to direct and manage the business of the company. (2) There shall be a rebuttable presumption in favour of any person dealing with the company that all persons who are described by the company as directors, whether as executive or otherwise, have been duly appointed. (3) Any person not being a duly appointed director of a company– (a) who holds himself out or knowingly allows himself to be held out as a director of that company; or (b) on whose directions or instructions, the duly appointed directors are accustomed to act, shall be subject to the same duties and liabilities as if he were a duly appointed director of the company. (4) Nothing in subsection (3) shall derogate from the duties and liabilities of the duly appointed directors, including the duty not to act on the directions or instructions of any other person. (5) If any person, not being a duly appointed director of a company holds himself out, or knowingly allows himself to be held out as a director of the company or if the company holds out such person or knowingly allows the person to hold himself out as a director of the company, the person or the company, as the case may be, shall be guilty of an offence.
Meaning of Shadow Director	338. Without prejudice to sections 339 and 343, “shadow director” shall include any person on whose instructions and directions the directors are accustomed to act.
	Appointment of directors

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Number of directors for public company	339. (1) Every public company shall have at least two directors. (2) Subject to subsection (1), any public company whose number of directors falls below two shall, within one month of its falling, appoint new directors and shall not carry on business after the expiration of one month, unless such new directors are appointed. (3) A director of a public company, who knows that a company carries on business after the number of directors has fallen below two for more than 60 days, is liable for all liabilities and debts incurred by the company during that period when the company carried on business. (4) A director shall, immediately after being appointed as such, indicate in writing that he has accepted the appointment.
Appointment and re-election of Directors	340. (1) The members of a company shall, at every annual general meeting, have the power to re-elect or not to re-elect any director and to appoint new directors. (2) Where, in the case of a company that is not a single-member company, all the directors and the only surviving shareholder die, any personal representative of the deceased shareholder may apply to the Court for an order directing the convening of a meeting of all the personal representatives of the shareholders for the purpose of appointing new directors to manage the company. (3) Where the personal representatives fail to convene such a meeting within a reasonable time, any creditor of the company may apply to the Court for an order to convene the meeting. (4) This section shall not apply to a small company or a single-member company.

Casual vacancy	341. (1) The board of directors of a public company may appoint a person to fill any casual vacancy in the office of a director arising from death, resignation, retirement or removal. (2) A director appointed under subsection (1) shall hold office until the next annual general meeting and shall then be eligible for re-election by the members. (3) The appointment made by the board under subsection (1) may be approved by the members by ordinary resolution at the next annual general meeting or by written resolution passed in accordance with this Act. (4) The board of directors may at any time appoint a person as an additional director who shall hold office only until the next annual general meeting and shall then be eligible for election by the members.
Liability of the person where not duly appointed.	342. Where a person not duly appointed as a director acts as such on behalf of the company, his act shall not bind the company, and he shall be personally liable for such action; but where it is the company which holds him out as a director, the company shall be bound by his acts. (2) The acts of a director or manager shall be valid notwithstanding any defect that may afterwards be discovered in his appointment or qualification. (3) Nothing in subsection (2) shall be deemed to give validity to acts done by a director after the appointment of the director has been shown to be invalid.

Share qualification of directors.	343. (1) The shareholding qualification for directors may be fixed by the articles of association or by the company in a general meeting, and unless and until so fixed, no shareholding qualification shall be required. (2) It shall be the duty of every director who is by the articles of the company required to hold a specified share qualification, and who is not already so qualified, to obtain his qualification within 2 months after his appointment or such shorter time as may be fixed by the articles. (3) The office of the director of a company shall be vacated if the director does not, within 2 months from the date of his appointment, obtain his qualification, or after the expiration of the period, he ceases at any time to hold his shareholding qualification. (4) A person vacating office under this section shall be incapable of being re-appointed director of the company until he has obtained his shareholding qualification. (5) For the purpose of any provision in the articles requiring a director to hold a specified share qualification, the bearer of a share warrant shall be deemed to be the holder of the shares specified in the warrant.
Duty of directors to disclose age and multiple directorships to the company.	344. (1) Any person who is appointed or, to his knowledge, is proposed to be appointed director of a public company and who is 70 or more years old shall disclose this fact in writing to the members at the general meeting. (2) Any person who is proposed to be appointed a director of a public company shall disclose any position he holds as a director in any other public company at the meeting in which he is proposed for appointment as a director.

	(3) Any person who fails to disclose his age or multiple directorship as required under this section [or makes a false disclosure in relation to his age] shall be guilty of an offence.
Insolvent persons acting as directors.	345. If any person, being an undischarged bankrupt, acts as a director or directly or indirectly takes part in or is concerned in the management of any company, he shall be guilty of an offence.

Restraint of fraudulent persons	346. (1) Where– (a) a person is convicted by a court of any offence in connection with the promotion, formation or management of a company or an offence involving fraud or dishonesty; or (b) in the course of winding up a company, it appears that a person- (i) has committed any offence referred to under paragraph (a)**;** or (ii) has otherwise been found guilty, while an officer of the company, of any fraud in relation to the company or of any breach of his duty to the company, the court shall make an order that that person shall not be a director of or in any way, whether directly or indirectly, be concerned or take part in the management of a company for a specified period not exceeding 10 years. (2) A person intending to apply for the making of an order under this section shall give not less than 10 days' notice of his intention to the person against whom the order is sought; and on the hearing of the application, the last-mentioned person may appear and himself give evidence or call witnesses. (3) An application for the making of an order by the court having jurisdiction to wind up a company may be made by the official receiver, or by the liquidator of the company or by any person who is or has been a member or creditor of the company; and on the hearing of any application for an order by the official receiver or the liquidator, or of any application for leave under this section by a person against whom an order has been made on the application of the official receiver or liquidator, the official receiver or liquidator shall appear and call the attention of the court to any matters which seem to him to be relevant, and may himself give evidence or call witnesses.

	(4) An order may be made by virtue of sub paragraph (ii) of paragraph (b) of subsection (1), notwithstanding that the person concerned may be criminally liable in respect of the matters on the ground of which the order is to be made; and for the purposes of that paragraph "officer" includes any person in accordance with whose directions or instructions the directors of the company have been accustomed to act. (5) If any person acts in contravention of an order made under this section, he shall be guilty of an offence.

Disqualification for directorship.	347. The following persons shall be disqualified from being directors - (a) a person under the age of 18 years; (b) a lunatic or person of unsound mind; (c) a person who is an undischarged bankrupt; and (d) a person convicted, whether in Sierra Leone or elsewhere, of any offence involving fraud or dishonesty or any offence in connection with the promotion, formation or management of a company.
Rotation of directors.	348. (1) Unless the articles otherwise provide, at the first annual general meeting of the company other than a private company, all the directors shall retire from office, and at the annual general meeting in every subsequent year, one-third of the directors for the time being, or if their number is not three or a multiple of three, then the number nearest one-third shall retire from office. (2) A retiring director shall be eligible for re-election. (3) The directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. (4) The company at the meeting at which a director retires in the manner mentioned in subsections (1) and (2) may fill the vacated office by electing a person to that office, and failing which the retiring director shall, if offering himself for re-election, be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such director shall have been put to the meeting and lost.

	(5) The annual general meeting shall have the power to increase or reduce the number of directors generally and may determine in what rotation the directors shall retire, but such direction shall not invalidate any prior act of the directors so removed.

Mode of voting on the appointment of directors.	349. (1) At a general meeting of a company other than a private company, a motion for the appointment of two or more persons as directors of the company by a single resolution shall not be made, unless a resolution that it shall be so made has first been passed unanimously by the meeting. (2) A resolution passed in contravention of this section shall be void, whether or not it was objected to at the time: Provided that- (a) this subsection shall not be taken as excluding the operation of section 348; and (b) where a resolution so moved is passed, no provision is made for automatic re-appointment of retiring directors in default of another appointment shall apply. (3) For the purposes of this section, a motion for approving a person's appointment or for nominating a person for appointment shall be treated as a motion for his appointment. (4) Nothing in this section shall apply to a resolution altering the company's articles.

Removal of Directors	350. (1) Unless the articles of association otherwise provide, a company may, by ordinary resolution, remove any director before the expiration of his period of office and may, by ordinary resolution, appoint another person in his place, but the director to be removed shall have a right to make representations to the meeting at which the ordinary resolution is passed. (2) The person so appointed shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected as a director. (3) Nothing in this section shall be taken as depriving a person removed under it of compensation or damages payable to him in respect of the termination of his appointment as a director or of any appointment terminating with that as director, or as derogating from any power to remove a director which may exist apart from this section.
	Remuneration and other payments

Remuneration of directors.	351. (1) Subject to this section, the fees and other remuneration payable to the directors in whatsoever capacity shall be determined from time to time by ordinary resolution of the company and not by any provision in the articles or in any agreement, which provision shall be null and void. (2) The fees payable to the directors as such shall be determined from time to time by ordinary resolution of the company and not in any other way; but where the articles of an existing company contain any provision fixing the fees payable to the directors contains any provision, such provision shall continue in operation and have effect until the date of the first annual general meeting of the company held next after the commencement of this Act. (3) Unless otherwise resolved, the fees payable to directors shall be deemed to accrue from day to day, and the directors shall also be entitled to be paid all travelling and other expenses properly incurred by them in attending and returning from meetings of the directors or any committee of the directors or general meeting of the company or otherwise in connection with the business of the company.

Proceedings of Directors	352. (1) The directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit, and the first meeting of the directors shall be held not later than six months after the incorporation of the company. (2) Unless the articles provide otherwise, any question arising at any meeting is decided by a simple majority of votes, and in case of an equality of votes, the chairman has a second or casting vote. (3) A director may, and the secretary on the requisition of a director shall, at any time, summon a meeting of the directors. (4) The directors may elect a chairman of their meetings and determine the period for which he is to hold office, but if no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the directors present may choose one of them to be chairman of the meeting. (5) The directors may delegate any of their powers to a managing director or to committees consisting of such member or members of their body as they think fit and the managing director or any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be made by the directors. (6) A committee may elect a chairman of its meeting, and if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of them to be chairman of the meeting.

	(7) A committee may meet and adjourn as it deems proper, and any question arising is determined by a majority of votes of the members present, and in the case of equality of votes the chairman has a second or casting vote. (8) A resolution in writing, signed by all the directors for the time being entitled to receive notice of a meeting of the directors, is as valid and effectual as if it had been passed at a meeting of the directors duly convened and held. (9) In all the directors' meetings, each director is entitled to one vote.

Quorum for meetings of directors and committees	353. Unless the articles provide otherwise, the quorum necessary for the transaction of the business of directors are two where there are not more than six directors, but where there are more than six directors, the quorum is one-third of the number of directors, and where the number of directors is not a multiple of three, then the quorum is one third to the nearest number. (2) Where a committee of directors is appointed by the board of directors, the board shall fix its quorum, but where no quorum is fixed, the whole committee shall meet and act by a majority.
Failure to have a quorum	354. Where the board is unable to act because a quorum cannot be formed, the general meeting may act in place of the board and where a committee is unable to act because a quorum cannot be formed, the board may act in place of the committee.
Notice of Meeting	355. (1) Every director is entitled to receive notice of the directors' meetings, unless he is disqualified by any reason under the Act from continuing with the office of director. (2) There shall be given fourteen days' notice in writing to all directors entitled to receive notice unless provided in the articles. (3) Failure to give notice in accordance with subsection (2) invalidates the meeting. (4) Unless the articles provide otherwise, it is not necessary to give notice of a meeting of directors to any director absent from Sierra Leone, but if he has given an address in Sierra Leone, the notice shall be sent to such an address.

Remuneration of managing directors.	356. A managing director shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way, and partly in another), as may be determined by the board of directors.

Prohibition of loans to directors in certain circumstances.	357. (1) It shall not be lawful for a company to make a loan to any person who is its director or a director of its holding company, or to enter into any guarantee or provide any security in connection with a loan made to such a person by any other person. (2) Nothing in this section shall apply- (a) subject to subsection (3), to anything done to provide such a person as mentioned in this subsection with funds to meet expenditure incurred or to be incurred by him for the purposes of the company or for the purpose of enabling him properly to perform his duties as an officer of the company; or (b) in the case of a company whose ordinary business includes the lending of money or the giving of a guarantee in connection with loans made by other persons, to anything done by the company in the ordinary course of that business. (3) Paragraph (a) of subsection (1) does not authorise the making of any loan, or the entering into any guarantee, or the provision of any security except- (a) with the prior approval of the company given at a general meeting at which the purposes of the expenditure and the amount of the loan or the extent of the guarantee or security, as the case may be, are disclosed; (b) on condition that, if the approval of the company is not given as in subsection (1), at or before the next following annual general meeting, the loan shall be repaid or the liability under the guarantee or security shall be discharged, as the case may be, within 6 months from the conclusion of that meeting. (4) Where the approval of the company is not given as required by the condition referred to in paragraph (a) of subsection (3), the directors authorising the making of the loan, or the entering into the guarantee, or the provision of the security, shall be jointly and

	severally liable to indemnify the company against any loss arising from it.

Payment by company for loss of office, etc., to be approved.	358. It shall not be lawful for a company to make to any director or former director of the company or any associated company any payment by way of compensation for loss of office, or as consideration for or in connection with his retirement from office, unless particulars with respect to the proposed payment and the amount have been disclosed to members of the company and the proposal is approved by the company by ordinary resolution.
Payment to director for loss of office, etc. or transfer of property illegally.	359. (1) If, in connection with the transfer of the whole or any part of the undertaking or property of a company, it is proposed to make any payment to a director of the company by way of compensation for loss of office, or as consideration for or in connection with his retirement from office, the payment shall be unlawful unless particulars with respect to the proposal and the amount have been disclosed to members of the company and the proposal is approved by the company. (2) Where a payment declared by this section to be illegal is made to a director of a company, the amount received shall be deemed to have been received by him in trust for the company.

Directors to disclose payment for loss of office, etc. in certain cases.	360. (1) Where, in connection with the transfer to any persons of all or any of the shares in a company, being a transfer resulting from - (a) an offer made to the general body of shareholders; (b) an offer made by or on behalf of some other body corporate with a view to the company becoming its subsidiary or a subsidiary of its holding company; (c) an offer made by or on behalf of an individual with a view to his obtaining the right to exercise or control the exercise of not less than one-third of the voting power at any general meeting of the company; or (d) any other offer which is conditional on acceptance to a given extent, payment is to be made to a director of the company by way of compensation for loss of office, or as consideration for or in connection with his retirement from office, it shall be the duty of that director to do all things reasonably necessary to ensure that particulars with respect to the proposed payment and the amount are included in or sent with any notice of the offer made for their shares, which is given to any shareholders. (2) If– (a) any director referred to in subsection (1) fails to do all things reasonably necessary as mentioned in this section; or (b) any person who has been properly required by such director to include the particulars in or send them with such notice fails to do so, he shall be guilty of an offence.

	(3) If– (a) the requirements of subsection (1) are not complied with in relation to such payments as are mentioned in it; or (b) the making of the proposed payment is not, before the transfer of any shares in pursuance of the offer, approved at a meeting summoned by the holders of the shares to which the offer relates of the same class as any of the shares at a meeting summoned for that purpose, any sum received by the director on account of the payment shall be deemed to have been received by him in trust for any person who has sold his shares as a result of the offer made, and the expenses incurred by him in distributing that sum among those persons shall be borne by him and not retained out of that sum. (4) If, in connection with any transfer- (a) the price to be paid to a director of the company whose office is to be abolished or who is to retire from office, for any shares in the company held by him, is in excess of the price which could at the time have been obtained by other holders of the same shares; or (b) any valuable consideration is given to the director, the excess or the money value of the consideration, as the case may be, shall, for the purposes of this section, be deemed to have been a payment made to him by way of compensation for loss of office or as consideration for or in connection with his retirement from office. (5) Nothing in this section shall prejudice the operation of any rule of law requiring disclosure to be made with respect to any payments made under this section or with respect to any other payments made, or to be made, to the directors of a company.

Provisions supplemental to sections 359 and 360.	361. (1) For the purposes of sections 359 and 360, the expression "payment" includes any benefit or advantage, whether in cash or in kind. (2) Sections 359 and 360 shall not render unlawful or apply to the payment of damages awarded or approved by any competent court for breach of any valid service agreement or the *bona fide* payment of any pension or superannuation benefit in respect of past services in accordance with a valid service agreement.
	Powers and duties of directors

Limitations on the powers of directors.	362. (1) Notwithstanding any other provision of this Act or any provision in the company's articles, the directors of a company having a share capital shall not, without the approval of a special resolution of the company– (a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking or of the assets of the company; (b) issue any new or unissued shares, other than treasury shares, in the company unless the shares shall first have been offered on the same terms and conditions to all the existing shareholders or to all the holders of the shares of the class or classes being issued in proportion as nearly as may be to their existing holdings; (c) make voluntary contributions to any charitable or other funds, other than pension funds for the benefit of employees of the company or any associated company, of any amounts the aggregate of which will, in any financial year of the company, exceed NLe10,000 or 2 per cent of the income surplus of the company at the end of the preceding financial year, whichever is the greater; but– (i) no resolution of the company shall be effective as approving of such transaction as is referred to in paragraph (a) unless it is authorised in terms of the specific transaction proposed by the directors; (ii) no resolution of the company shall be effective as approving of such a transaction referred to in paragraph (a) if passed more than one year before the issue of the shares unless such issue is in accordance with a scheme for the time being in force relating to the issue of shares to or for the benefit of persons *bona fide* in the employment of the company or any of its associated companies. (2) Paragraph (b) of subsection (1) shall not apply to private companies.

	(3) Notwithstanding any other provision of this Act or in the company's articles or in any resolution of the company in general meeting, no new or unissued shares or treasury shares shall be issued to any director or past director of the company or of any associated company or to his nominee or to any body corporate controlled by him unless the shares shall first have been offered on the same terms and conditions to all the existing shareholders or to all the holders of the shares of the class or classes being issued in proportion to their existing holdings or, in the case of a public company, to members of the public. (4) For the purposes of subsection (3), a body corporate shall be deemed to be controlled by a director if the body corporate or its directors are accustomed to act in accordance with the directions or instructions of such director or his nominee or if at a general meeting of the body corporate such director or his nominee is entitled to exercise or control the exercise of one-third or more of the voting power. (5) Nothing in this section shall prohibit- (a) the issue of any shares under a *bona fide* underwriting agreement; or (b) the issue to a director at a fair price payable in cash of such shares, if any, as under the articles of the company, he is required to hold by way of share qualification. (6) Unless the company's articles otherwise provide, the directors of a company having a share capital shall not, without the approval of a special resolution of the company, exercise the company's power to borrow money or to charge any of its assets where the moneys to be borrowed or secured, together with the amount remaining undischarged of moneys already borrowed or secured, apart from temporary loans obtained from the company's bankers in the ordinary course of business, will exceed the share capital for the time being of the company.

	(7) No person dealing with the company in good faith or registering any disposition of, or title to, property shall be concerned to see whether the conditions have been fulfilled and the provisions of Part VII shall apply to any transactions of the type referred to in sections 129 to 131, notwithstanding that such conditions have not been fulfilled. (8) In this section, “treasury shares” are shares which, on redemption, purchase, acquisition or forfeiture, are available for re-issue by the company, unless the company, by alteration of its memorandum and articles, cancel or re-issue such shares.

Duties of directors.	363. (1) A director of a company stands in a fiduciary relationship towards the company and shall observe the utmost good faith towards the company in any transaction with it or on its behalf. (2) A director shall act at all times in what he believes to be the best interests of the company as a whole so as to preserve its assets, further its business, and promote the purposes for which it was formed. (3) In considering whether a particular transaction or course of action is in the best interests of the company as a whole a director may have regard to the interests of the employees, as well as the members, of the company, and, when appointed by, or as representative of, a special class of members, employees, or creditors may give special, but not exclusive, consideration to the interests of that class. (4) No provision, whether contained in the articles of a company, or in any contract, or in any resolution of a company, shall relieve any director from the duty to act in accordance with this section or relieve him from any liability incurred as a result of any breach thereof. (5) A director shall exercise his powers for the purpose for which they are specified and shall not do so for a collateral purpose; and the power, if exercised for the right purposes, does not constitute a breach of duty, if it incidentally affects a member adversely. (6) Any duty imposed on a director under this section shall be enforceable against the director by the company. (7) A director shall immediately disclose to members of the company and to directors of the board any conflict between his duty to the company and his personal interest or his duties to others.

	(8) Any transaction entered into or proposed to be entered into by a company in which a conflict of interest has been disclosed by a director to members of the Company and to directors of the board and shall be published by the directors and notification of the same shall be filed with the Board.

Duty of care and skill.	364. (1) Every director of a company shall exercise the powers and discharge the duties of his office honestly, in good faith and in the best interests of the company, and shall exercise that degree of care, diligence and skill which a reasonably prudent director would exercise in comparable circumstances. (2) Failure to take reasonable care in accordance with this Act shall ground an action for negligence and breach of duty. (3) Each director shall be individually responsible for the actions of the board in which he participated, and his absence from the board's deliberations, unless justified, shall not relieve a Director of such responsibility. (4) The same standard of care in relation to the director's duties to the company shall be required for both executive and non-executive directors, but additional liability and benefit may arise under the master and servant law in the case of an executive director if there is an express or implied contract to that effect.
Directors as trustees and agents of company	365. (1) Directors are trustees of the company's moneys, properties and powers and as such shall- (a) account for all the moneys over which they exercise control; (b) refund any moneys improperly paid away; (c) exercise their powers honestly in the interest of the company and all the shareholders, and not in their own or sectional interests. (2) A director may, when acting within his authority and the powers of the company, be regarded as an agent of the company under this Act.

Exercise of directors' power.	366. Directors shall not, without the approval of a special resolution of the company, exceed the powers conferred upon them by this Act and the company's articles or exercise such powers for a purpose different from that for which such powers were conferred, notwithstanding that they may believe such exercise to be in the best interest of the company.
Conflict of duty and interest.	367. (1) Notwithstanding any provision in the company's articles, a director shall not, without the consent of the members of the company, place himself in a position in which his duty to the company conflicts or may conflict with his personal interests or his duties to other persons, and in particular, without such consent, a director shall not– (a) use for his own advantage any money or property of the company or any confidential information or special knowledge obtained by him in his capacity as director; (b) be interested directly or indirectly, otherwise than merely as a shareholder or debenture holder in a public company, in any business which competes with that of the company; (c) be personally interested, directly or indirectly, in any contract or other transaction entered into by the company except as provided for by this Act. (2) A director shall not, in the course of the management of the company or in the utilisation of the company's property, make any secret profit or gain or other unauthorised benefits. (3) A director shall be accountable to the company for any secret profit or any other unauthorised benefits derived by him contrary to subsection (2). (4) The inability or unwillingness of the company to perform any functions or duties under its articles and memorandum shall not constitute a defence to any breach of duty of a director under this Act.

	(5) The duty not to use confidential information shall not cease where a director or an officer has resigned from the company, and he shall still be accountable and can be restrained by an injunction from misusing the information received by virtue of his previous position.

Consent of companies.	368. (1) For the purposes of section 367, the company shall not be deemed to have consented unless after full disclosure of extent of any interest of the directors, the transaction concerned shall have been specifically authorised by the company either by a resolution which shall have been supported by all the members of the company entitled to attend and vote at a general meeting or by a special resolution at a general meeting at which neither the director concerned nor the holders of any shares in which he is either directly or indirectly, shall have voted as members on such resolution. (2) Consent in accordance with subsection (1) shall be given before the occurrence of the transaction to which it relates; and a resolution of the company ratifying a transaction or series of related transactions which has already taken place shall not be effective for the purposes of subsection (1) unless it was passed not later than 15 months after the date when the transaction or the first of such transactions took place. (3) Where members deem it fit and agree at a general meeting to enter into a transaction in which a conflict of interest has been disclosed, the approval of the Board may be sought before entering into such a transaction.

Duties of directors in connection with sales of the company's securities.	369. (1) If a director of a company, having acquired as a director any special information which may substantially affect the value of the shares or debentures of the company or any associated company, buys or sells such shares without disclosing such information to the seller or purchaser thereof, the purchase or sale shall be voidable at the option of the seller or purchaser within 12 months after the agreement to sell or buy. (2) For the purposes of this section, any shares or debentures bought or sold shall be deemed to have been bought or sold by a director if his interest in the shares is such as to require recording in relation to him in the register to be maintained under this Act, unless it is proved that the sale or purchase was not made by him or on his instruction or advice or on the instructions or advice of any other person to whom he had imparted any special information affecting the value of the shares or debentures obtained by him in his capacity as director (3) This section shall not prejudice the right of the company to proceed against any director for breach of section 367.

Contracts in which directors are interested.	370. (1) Unless otherwise provided in the company's articles, a director, notwithstanding section 367, shall be entitled to enter into a contract with the company and, subject to compliance with section 363 and subsections (2) to (7), such contract or any other contract by the company in which any director is in any way interested shall not be liable to be avoided nor shall any director be liable to account for any profit made thereby by reason of such director holding that office or of the fiduciary relationship thereby established. (2) Every director who is in any way, whether directly or indirectly, materially interested in any contract or proposed contract entered into or to be entered into by or on behalf of the company shall declare the nature and extent of his interest at a meeting of the directors of the company. (3) In the case of a proposed contract, the "declaration" required by this section to be made by a director shall be made at the meeting of the directors at which the question of entering into the contract is first taken into consideration or, if the director was not at the date of that meeting interested in the proposed contract, at the next meeting after he became so interested; and in a case where the director becomes interested in a contract after it is made the declaration shall be made at the first meeting of the directors held after the director becomes so interested. (4) For the purposes of this section, a general notice in writing given to the directors of the company by a director to the effect that he is a member of a specified company or firm and is to be regarded as interested in any contract which may, after the date of the notice, be made with that company or firm, shall be deemed to be a sufficient declaration of interest in relation to any contract or proposed contract so made or to be made– (a) if there is stated in the notice the nature and extent of the interest of the director in such company or firm;

	(b) if at the time the question of confirming or entering into the contract is first taken into consideration of the extent of his interest in such company or firm is not greater than is stated in the notice; (c) no general notice shall be of any effect unless it is given at a meeting of the directors or the director giving the notice takes all reasonable steps to ensure that it is brought up and read at the next meeting of directors after it is given; (d) such general notice shall not be effective for more than twelve months, but may from time to time be renewed. (5) A director of the company shall not enter into any contract on its behalf in which he or, to his knowledge, any director of the company or any associated company is in any way materially interested, whether directly or indirectly, until a resolution has been passed by the directors approving it. (6) In the case of any proposed contract in which the officer is himself interested, he shall, prior to the passing of the approving resolution, declare the nature and extent of his interest in the contract at a meeting of directors or by written notice given to the director or such other director. (7) A director shall not vote in respect of any contract or arrangement in which he is materially interested, and if he does so, his vote shall not be counted, nor shall he be counted in the quorum required for that business; but neither of these prohibitions shall apply to– (a) any arrangement for giving any director any security and indemnity in respect of money lent by him for obligations undertaken by him for the benefit of the company. (b) any arrangement for the giving by the company of any security to a third party in respect of a debt or obligation of the company for which the director himself has assumed responsibility in whole

	or in part under a guarantee or indemnity, or by the deposit of a security; or (c) any contract by a director to subscribe for or underwrite shares or debentures of the company. (8) A copy of every declaration made and notice given in pursuance of this section shall, within three days after the making or giving, be filed with the Board and recorded in the relevant register or record of the company, whether such register or record is kept in physical form or in electronic form. (9) The register or record shall be open for inspection without charge by any director, secretary, auditor or member of the company at the registered office of the company and shall be produced at every general meeting of the company and at any meeting of the directors if any director so requests in sufficient time to enable the register or record to be available at the meeting. (10) Any director or officer who fails to comply with any of the provisions of this section shall be guilty of an offence. (11) If a company fails to comply with subsections (8) and (9), the company and every officer of the company who is in default shall be guilty of an offence and be liable to a fine, and if any inspection or production required is refused, the court may by order compel an immediate inspection or production. (12) For the purposes of this section, an interest merely as holder of debentures, or of not more than 2 per cent of the shares or any class of shares, of a public company shall not be deemed to be a material interest.

Directors acting professionally	371. Unless otherwise provided in the company's articles, any director may, notwithstanding section 367, act by himself or his firm in a professional capacity for the company except as auditor and he or his firm shall be entitled to proper remuneration for professional services as if he were not a director.
Civil liabilities for breach of duty.	372. If a director commits any breach of his duties under sections 365, 366 and 367– (a) the director and any other person who knowingly participated in the breach shall be liable to compensate the company for any loss it suffers as a result of the breach; (b) the director shall account to the company for any profit made by him as a result of the breach; and (c) any contract or other transaction entered into between the director and the company in breach of the duties may be rescinded by the company.

Legal proceedings to enforce liabilities	373. (1) Proceedings to enforce the liabilities referred to in section 378 to restrain a threatened breach of any duty under sections 366 and 367 or to recover from any director of the company may be instituted by the company or any member of the company. (2) Proceedings may be instituted by the company on the authority of the board of directors or of any receiver and manager or liquidator of the company, or of an ordinary resolution of the company which shall either have been agreed to by all the members of the company entitled to attend and vote at a general meeting or have been passed at a general meeting. (3) After an investigation of the affairs of the company, proceedings may also be instituted in the name of the company by the Board. (4) Where proceedings are instituted by a member, he shall sue in a representative capacity on behalf of himself and all other members, except any members that are defendants to the action, and shall join the company as a defendant. (5) The court, on the application of any defendant, may stay proceedings by such member if satisfied that, in all the circumstances, including his participation in the transaction complained of and the circumstances in which he became a member, it is inequitable that he should be allowed to have the conduct of the action and may, if it thinks fit order such member to give security for payment of the costs of the defendants and may direct that the action or any part of it shall be heard in chambers. (6) No period of limitation shall apply to any proceedings under this section, but in such proceedings the court may relieve a director from liability in whole or in part and on such terms as it thinks fit if, in all the circumstances, including lapse of time, the court thinks it equitable to do so.

	(7) In any proceedings under this section, the court shall have power, when justice so requires, to order that any moneys found to be payable by any defendant shall be restored, in whole or in part, to members or former members of the company instead of to the company itself; and in that event, the court may order that the necessary enquiries shall be made to ascertain the identity of the members and former members concerned and may give such consequential directions as may be necessary or expedient. (8) No proceedings under this section shall be dismissed, settled or compromised without the approval of the court after notice of the proposed dismissal, settlement, or compromise has been given to all members of the company and to the Board in such manner as the court directs. (9) Within the time prescribed by such notice, any member of the company and the Board may appear and call the attention of the court to any matters which seem relevant and may give evidence and call witnesses. 10) If the court does not approve the dismissal or compromise, it may give the conduct of the action to any member willing to continue it, or to the Board in the name of the company, making such consequential orders regarding the parties to the action or otherwise as may be necessary or expedient.

Multiple directors.	374. The fact that a person holds more than one directorship shall not derogate from his fiduciary duties to each company, including the duty not to use property, opportunity or information obtained in the course of the management of one company for the benefit of the other company or to his or other person's advantage.
Directors with unlimited liability in respect of limited companies.	375. (1) In a limited company, the liability of the directors or managers or of the managing director may, if so provided by the memorandum, be unlimited. (2) In a limited company in which the liability of a director or manager is unlimited, the directors and any managers of the company and the member who proposes a person for election or appointment to the office of director or manager, shall add to the proposal a statement that the liability of the person holding that office shall be unlimited, and before the person accepts the office or acts therein, notice in writing that his liability shall be unlimited shall be given to him by the following or one of the following persons, namely, the promoters, directors, managers and the secretary of the company. (3) If any director, manager or promoter defaults in adding such a statement, or if any promoter, director, manager or secretary fails to give such notice, he shall be guilty of an offence and be liable to a fine and shall also be liable for any damage which the person so elected or appointed may sustain from the default.

Special resolution of limited company making liability of directors unlimited	376. (1) A limited company, if so authorised by its articles, may, by special resolution, alter its memorandum so as to render unlimited the liability of its directors, managers, or of any managing director. (2) Upon the passing of the special resolution, and notwithstanding the terms of any contract between a director and the company, the director may resign his office as director and in the event that a director resigns, he shall not be affected by the passing of the special resolution. (3) The passing of the special resolution and any consequent resignation of a director shall not prejudice any existing rights which the director may otherwise have for breach of any contract of service with the company.

Statement on remuneration of directors to be furnished to shareholders.	377. (1) Subject to this section, the directors of a company shall, on demand made to them in writing by members of the company entitled to not less than one-fourth of the aggregate number of votes, furnish to all the members of the company within one month of receipt of the demand, a statement certified as correct or with such qualifications as may be necessary by the auditors of the company, showing for each of the last three years in respect of which the accounts of the company have been made up, the aggregate amount received in that year as remuneration or other emoluments by directors of the company, whether as directors or otherwise, in respect of the management of the company. (2) There shall, in respect of any director of the company who is- (a) a director of a subsidiary company of the company referred to in subsection (1); or (b) by virtue of the nomination, whether direct or indirect, of the company as a director of any other company, be included in the said aggregate amount any remuneration or other emoluments received by him, whether as a director of or otherwise in relation to the management of the other company. (3) A demand for a statement under subsection (1) shall be of no effect if the company, within one month after the date on which the demand is made, resolves that the statement is not to be furnished. (4) Pursuant to subsection (1), it shall be sufficient to state the total aggregate of all moneys paid to or other emoluments received by all the directors in each year without specifying the amount received by any individual. (5) Any director who fails to comply with subsection (1) shall be guilty of an offence and be liable to a fine.

	(6) In this section, “emoluments” includes fees, percentages and other payments made or consideration given, directly or indirectly, to a director as such, and the money value of any allowances or perquisites belonging to his office.

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Provision as to liability of officers and auditors.	378. Subject to this section, any provision, whether contained in the articles of a company or in any contract with a company or otherwise, for exempting any director, manager or officer of the company, or any person (whether an officer of the company or not) employed by the company as auditor from, or indemnifying him against, any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the company shall be void; and– (a) in relation to a provision which is in force on the commencement of this Act, this section shall have effect only on the expiration of a period of 6 months from that date; (b) nothing in this section shall operate to deprive any person of any exemption or right to be indemnified in respect of anything done or omitted to be done by him while such provision was in force; and (c) notwithstanding anything in this section, a company may, in pursuance of such provision, indemnify such director, manager, officer or auditor against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 724 in which relief is granted to him by the court.

Register of directors and secretaries.	379. (1)Every company shall keep at its registered office a register of its directors and secretaries. (2)The register shall contain the following particulars with respect to each director:– i. his present forename and surname; ii. any former forename and surname; iii. his usual residential address; iv. his nationality; v. his business or occupation, if any; vi. particulars of any other directorships held by him; and vii. the date of his birth. (3)The register shall contain the following particulars with respect to the secretary:– i.in the case of an individual– ii. his present forename and surname; iii. any former forenames and surnames; and iv. his usual residential address; and v.in the case of a corporation, its registered name and registered or head office. (4)The company shall, within the periods respectively mentioned in subsection (5), file with the Board a return containing the particulars specified in the register and notification of any change among its directors or in its secretary or in any of the particulars contained in the register, specifying the date of the change.

	(5)The periods referred to in subsection (4) shall be the period within which– i. a return is to be sent, which shall be a period of 14 days from the date of incorporation of the company; and ii. the notification of a change is to be sent 14 days from the happening thereof; but in the case of a return containing particulars with respect to any person who is the company's secretary at the commencement of this Act, the period shall be 14 days from the commencement of this Act. (6)The register to be kept under this section shall, during business hours (subject to such reasonable restrictions as the company may by its articles or in general meeting impose, so that no less than two hours in each day be allowed for inspection) be open to inspection by any member of the company without charge and by another person on payment of such sum as the company may determine, for each inspection. (7)If any inspection required under this section is refused, or if default is made in complying with subsections (1), (2), and (4), the company and every officer of the company in default shall be liable to a default fine. (8)In case of any refusal or default, the court may by order compel an inspection of the register or that the copies required be sent as provided in this section. (9)For the purpose of this section– a) a person in accordance with whose directions or instructions the directors of the company are accustomed to act shall be deemed to be a director and officer of the company; and b) references to a former forename or surname in the case of a married woman shall not

	c) include the name or surname by which she was known previous to the marriage.

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Register of directors' holdings	380. (1) Every company shall keep a register showing as respects each director of the company (not being its holding company) the number, description and amount of any shares in or debentures of the company or any other body corporate, being the company's subsidiary or holding company, or a subsidiary of the company's holding company, which are held by or in trust for him or of which he has any right to become the holder (whether on payment or not); but the register need not include shares in any body corporate which is the wholly-owned subsidiary of another body corporate, and for this purpose, a body corporate shall be deemed to be the wholly-owned subsidiary of another if it has no member but that other and that other's wholly-owned subsidiaries and its or their nominees. (2) Where any shares or debentures fall to be or cease to be recorded in the register in relation to any director by reason of a transaction entered into after the commencement of this Act, and while he is a director, the register shall also show the date of, and price or other consideration for transaction that where there is an interval between the agreement for such transaction and the completion thereof, the date shown shall be that of the agreement. i. The nature and extent of a director's interest or right in or over any shares or debentures recorded in relation to him in the register shall, if he so requires, be indicated in the register. ii. The company shall not, by virtue of anything done for the purposes, be affected with notice of, or put upon inquiry as to the rights of any person in relation to any shares or debentures. iii. The register shall, subject to the provisions, be kept at the company's registered or head office and shall be open to inspection during business hours (subject to such reasonable restrictions as the company may by its articles or in general meeting impose, so that not less than two hours in each day be allowed for inspection) as follows:–

	a) during the period beginning 14 days before the date of the company's annual general b) meeting and ending 3 days after the date of its conclusion, it shall be open to the c) inspection of any member or holder of debentures of the company; and (i)during that or any other period, it shall be open to the inspection of any person acting (b) on behalf of the Board. i. In computing the 14 days and the 3 days mentioned in subsection (5), any day which is a Saturday or Sunday or a public holiday shall be disregarded. ii. Without prejudice to the rights conferred by subsection (5), the Board may at any time request the production to it of a copy of the register, or any part thereof. iii. The register shall also be produced at the commencement of the company's annual general meeting and remain open and accessible during the continuance of the meeting to any person attending the meeting. iv. If default is made in complying with subsection (1) or (2), or if any inspection required under this section is refused, or any copy required thereunder is not filed within a reasonable time, the company and every officer of the company who is in default shall be liable to a default fine and if default is made in complying with subsection (8) of this section the company and every officer of the company who is in default shall be liable to a default fine. v. If any inspection required under this section is refused, the Board may, by directive, compel an immediate inspection of the register.

	vi. For the purposes of this section– a. any person in accordance with whose directions or instructions the directors of a (c) company are accustomed to act shall be deemed to be a director of the company; and a. a director of a company shall be deemed to hold or to have an interest or right in or over any share or debenture if a permanent representative of the body corporate other (d) than the company holds them or has that interest or right in or over them, and either– i. that permanent representative is accustomed to act in accordance with ii. the directions or instructions; or iii. he is entitled to exercise or control of one-third or more of the voting power at iv. any general meeting of that body corporate.

	Restriction on use or disclosure of director's addresses
Protected information	381. (1) This Part makes provision for protecting, in the case of a company director who is an individual— a. information as to his usual residential address; and b. the information that his service address is his usual residential address. (2) Information in subsection (1) is referred to in this Part as "protected information". (3) Information does not cease to be protected information on the individual ceasing to be a director of the company, and references in this Part to a director include, to that extent, a former director.
Restriction on use or disclosure of protection by company	382. (1) A company shall not use or disclose protected information about any of its directors, except— a. for communicating with the director concerned, b. in order to comply with any requirement of this Act as to particulars to be sent to the Director, or c. in accordance with section 386. (2) Subsection (1) does not prohibit any use or disclosure of protected information with the consent of the director concerned.

Protected information: restriction on use or disclosure by the Board.	383. **(**1) The Board shall omit protected information from the material on the register that is available for inspection where— a. it is contained in a document delivered to the director in which such information is required to be stated; and b. in the case of a document having more than one part, it is contained in a part of the document in which such information is required to be stated. (2) The Board is not obliged— i. to check other documents or (as the case may be) other parts of the document to ensure the absence of protected information; or ii. to omit from the material that is available for public inspection anything registered before this Part comes into effect. c. The Board shall not use or disclose protected information except— i. as permitted by section 384; or ii. in accordance with section 385.

Permitted use or disclosure by the Board.	384. (1) The Board may use protected information for communicating with the director in question. (2) The Board may disclose protected information— a.to a public authority specified for the purposes of this section by regulations made by the Minister; or b. to a credit reference agency. (3)The Minister may make provision by regulations— a.specifying conditions for the disclosure of protected information in accordance with this section; and b.providing for the charging of fees. (4)The Minister may make provision by regulations requiring the Board, on application, to refrain from disclosing protected information relating to a director to a credit reference agency. (5)Regulations under subsection (4) may make provision as to— a.who may make an application; b. the grounds on which an application may be made; c.the information to be included in and documents to accompany an application; and d. how an application is to be determined. (6)Provision under subsection (5) (*d*) may in particular— a. confer a discretion on the Board; and b. provide for a question to be referred to a person other than the Board for the purposes of determining the application. (7)In this section—

	a.“*credit reference agency*” means a person carrying on a business comprising the furnishing of information relevant to the financial standing of individuals, being information collected by the agency for that purpose; and b.“*public authority*” includes any person or body having functions of a public nature.

Disclosure under Court order	385. (1) The court may make an order for the disclosure of protected information by the company or by the Board if— a. there is evidence that service of documents at a service address other than the director's usual residential address is not effective to bring them to the notice of the director; or b. it is necessary or expedient for the information to be provided in connection with the enforcement of an order or decree of the Court, and the Court is satisfied that it is appropriate to make the order. (2) An order for disclosure by the Board is to be made only if the company— i. does not have the director's usual residential address; or ii. has been dissolved. c. The order may be made on the application of a liquidator, creditor or member of the company, or any other person appearing to the court to have a sufficient interest. d. The order shall specify the persons to whom, and purposes for which, disclosure is authorised.

Circumstances in which Board may put address on the public record.	386. (1) The Board may put a director's usual residential address on the public record if— a. communications sent by the Board to the director and requiring a response within a specified period remain unanswered; or b. there is evidence that service of documents at a service address provided in place of the director's usual residential address is not effective to bring them to the notice of the director. (2) The Board shall give notice of the proposal— i. to the director; and ii. to every company of which the Board has been notified that the individual is a director. c. The notice shall— i. state the grounds on which it is proposed to put the director's usual residential address on the public record, and specify a period within which representations may be made before that is done; and ii. be sent to the director at his usual residential address, unless it appears to the Board that service at that address may be ineffective to bring it to the director's notice, in which case it may be sent to any service address provided in place of that address. d. The Board shall take account of any representations received within the specified period.

Putting the address on the public record.	387. (1) The Board, on deciding that a director's usual residential address is to be put on the public record, shall proceed as if notice of a change of registered particulars had been given— a. stating that address as the director's service address; and b. stating that the director's usual residential address is the same as his service address. (2) The Board shall give notice of having done so— i. to the director; and ii. to the company. c. On receipt of the notice, the company shall— i. enter the director's usual residential address in its register of directors as his service address and ii. state in its register of directors' residential addresses that his usual residential address is the same as his service address. d. If the company has been notified by the director in question of a more recent address as his usual residential address, it shall— i. enter that address in its register of directors as the director's service address; and ii. give notice to the Director of a change of registered particulars. e. If a company fails to comply with subsection (3) or (4), the company and each officer of the company are liable to a penalty for every day during which the default continues in such amount as the Board shall specify in its regulations. f. A director whose usual residential address has been put on the public record by the Board under this section may not register a

	service address other than his usual residential address for five years from the date of the Board's decision.

Duties of directors when company is insolvent or near insolvency.	388. (1) Where a director of a company knows, or by the exercise of reasonable diligence ought to know, that the company is unable to pay its debts as they fall due, or that there is no reasonable prospect of the company avoiding insolvent liquidation, the director shall— (a) cease to act solely in the interests of the members of the company and shall, in the exercise of all powers and the discharge of all duties, have regard to the interests of the company's creditors as a whole; and (b) take every reasonable step available to minimise the potential loss to creditors. (2) A director who, in breach of subsection (1), takes any decision or causes the company to enter into any transaction that materially worsens the position of creditors is personally liable to contribute to the assets of the company an amount equal to the increase in the net deficiency of the company's assets attributable to that decision or transaction. (3) It is a defence to a claim under subsection (2) for a director to show that, at the time of the decision or transaction— (a) the director had reasonable grounds to believe that there was a genuine prospect of the company trading out of insolvency; and (b) the director had taken every reasonable step to minimise the potential loss to creditors, including seeking professional advice and, where appropriate, commencing administration proceedings under section 648. (4) The duty imposed by this section is owed to the company and may be enforced by a liquidator appointed under Part XIX, an administrator appointed under section 648, or, with the leave of the Court, by a creditor of the company.

	Secretaries
Appointment and role of secretary	389.(1) A public company must have a company secretary, and a private company may have a company secretary. (2) Where, at the commencement of this Act, a public company has not appointed a secretary, the company shall, not later than six months after the commencement of this Act, appoint a secretary. i. Anything required or authorised to be done by or of the secretary may, if the office is vacant or there is for any other reason no secretary capable of acting, be done by or of any assistant or deputy secretary or, if there is no assistant or deputy secretary capable of acting, by or of any officer of the company authorised generally or specially by the directors. ii. If a public company contravenes the provisions of this section, the company and the directors of the company are liable to a fine in such amount as the Board shall specify and, in the case of continued contravention, to a daily penalty in such amount as the Board shall specify.
Avoidance of acts done by a person as director and secretary.	390. A provision requiring or authorising a thing to be done by or to a director and the secretary of a public company shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, the secretary.

Qualification of secretary.	391.(1) It shall be the duty of directors of a company to take all reasonable steps to ensure that the secretary of the company is a person who appears to them to have the requisite knowledge and experience to discharge the functions of a secretary of a company, and in the case of a public company, he shall be– a. a member of the Institute of Chartered Secretaries and Administrators; b. a legal practitioner within the meaning of the Legal Practitioners Act, 2000; c. a member of the Institute of Chartered Accountants of Sierra Leone or such other bodies of accountants as are established from time to time by an enactment; or d. a body corporate or firm consisting of members, any one of whom is qualified under paragraphs (a), (b) or (c). (2) In the case of paragraph (d) of subsection(1), the body corporate or firm shall designate a person or persons to carry out the duties of secretary, and such person or persons shall be qualified under paragraphs (a), (b) or (c).
Appointment and summary dismissal of secretary	392.(1) Unless otherwise provided in the articles, a secretary shall be appointed by the directors and, subject to the provisions of this section, may be summarily dismissed by them. (2) Where it is intended to summarily dismiss the secretary of a public company, the board of directors shall give him notice– (a) stating that it is intended to dismiss him; (b) setting out the grounds on which it is intended to summarily dismiss him; and (c) giving him a period not less than 7 working days within which to make his defence.

Fiduciary interests of secretary	393.A secretary shall not owe fiduciary duties to the company, but where he is acting as its agent he shall owe fiduciary duties to it, and as such shall be liable to the company where he makes secret profits or derives other unauthorised benefits or lets his duties conflict with his personal interests, or uses confidential information he obtains from the company for his own benefit.
Duties of Secretary	394.(1) The duties of a secretary shall include the following:– (a)attending the meeting of the company, the board of directors and its committees, rendering all necessary secretarial services in respect of the meeting and advising on compliance by the meeting with the applicable rules and regulations; (b)maintaining the registers and other records required to be maintained by the company under this Act; (c)rendering proper returns and giving notification to the Commission as required under this Act; and (d)carrying out such administrative and other secretarial duties as directed by the board of directors, or the company. (2) The secretary shall not, without the authority of the board of directors, exercise any powers vested in the board of directors.
Regulations	395.The Minister may, by regulations, vary particulars required to be contained in a company's register of secretaries and to be notified to the Board. The Minister may also issue regulations, governance guidance, codes of conduct, and sanctions.
	PART XIV – PROTECTION OF MINORITY AGAINST ILLEGAL AND OPPRESSIVE CONDUCT
	Action by or against company
Only companies may sue for wrong or ratify irregular conduct.	396.Subject to this Act, where any irregularity has been committed in the course of a company's affairs or any wrong has

	been done to the company, only the company can sue to remedy that wrong and only the company can ratify the irregular conduct.

Injunction or declaration in the event of illegal or irregular activity.	397. (1) Without prejudice to the rights of members, the Court may, on the application of any member, by injunction or declaration, restrain the company from the following:– (a) entering into any transaction which is illegal or ultra-vires; (b) purporting to do by ordinary resolution any act which by its memorandum or articles requires to be done by special resolution; (c) any act affecting the applicant's individual rights as a member; (d) committing fraud on either the company or the minority shareholders, where the directors fail to take appropriate action to redress the wrong done; (e) where a meeting of the company cannot be called in time to be of practical use, redressing a wrong done to the company or to minority shareholders; (f) where the directors are likely to derive a profit or benefit or have profited or benefited from their negligence or breach of duty, but– (i) nothing in this section shall derogate from the protection afforded by any provision of this Act to any person dealing with the company; (ii) in relation to acts beyond the capacity or power of the company, the company shall be liable for such acts in accordance with this Act; (iii) the right afforded to a member to apply to the Court under this section shall be without prejudice to any right he may have to institute proceedings against any director of the company under this section. (2) In any proceedings by a member under this section, the Court may, if it thinks fit, order that the member give security for the

	costs of the company and may direct that the application shall be heard in chambers. (3) Where any member institutes an action under this section, the Court may award costs to him personally whether or not his action succeeds.

Definition of members.	398.For purposes of section 394, “member” includes– (a) the personal representative of a deceased member; and (b) any person to whom shares have been transferred or transmitted by operation of law.
Commencing derivative action.	399.(1) Subject to subsection (2), an applicant may apply to the Court for leave to bring an action in the name or on behalf of a company, or to intervene in an action to which the company is a party for the purpose of prosecuting, defending or discontinuing the action on behalf of the company. (2) No action may be brought, and no intervention may be made under subsection (1), unless the Court is satisfied that– (a) the wrongdoers are the directors who are in control, and will not take necessary action; (b) the applicant has given reasonable notice to the directors of the company of his intention to apply to the Court under subsection (1) if the directors of the company do not with due diligence bring, prosecute, defend or discontinue the action; (c) the applicant is acting in good faith; and (d) it appears to be in the best interest of the company that the action be brought, prosecuted, defended or discontinued.

Powers of Court	400. (1) In connection with an action brought or intervened under section 396, the Court may at any time make such order or orders as it thinks fit. (2) Without prejudice to the generality of subsection (1), the Court may make one or more of the following orders, that is, an order– (a) authorising the applicant or any other person to control the conduct of the action; (b) giving directions for the conduct of the action; (c) directing that any amount adjudged payable by a defendant in the action shall be paid, in whole or in part, directly to former and present security holders of the company instead of to the company; (d) requiring the company to pay reasonable legal fees incurred by the applicant in connection with the proceedings.
Evidence of shareholders' approval not conclusive	401. An application made or an action brought or intervened in under section 396 shall not be stayed or dismissed by reason only that it is shown that an alleged breach of a duty owed to the company has been or may be approved by the shareholders of such company, but evidence of approval by the shareholders may be taken into account by the Court in making an order under section 397.
Court's approval to discontinue.	402. An application made or an action brought or intervened in under section 396 shall not be stayed, discontinued, settled or dismissed for want of prosecution without the approval of the Court given upon such terms as the Court thinks fit; and if the Court determines that the rights of any applicant may be substantially affected by such stay, discontinuance, settlement or dismissal, the Court may order any party to the application or action to give notice to the applicant.

No security for costs.	403. An applicant shall not be required to give security for costs in any application made or action brought or intervened in under section 2.
Interim costs.	404. In an application made or action brought or intervened in under section 396, the Court may at any time order the company to pay to the applicant's interim costs before the final disposition of the application or action.
Definition of applicant.	405. In sections 396 and 397, "applicant" means– (a) a registered holder or a beneficial owner and a former registered holder or beneficial owner, of a security of a company; (b) a director, an officer or a former director or officer of a company; (c) the Board; or (d) any other person who, in the discretion of the Court, is a proper person to make an application under section 396.
	Relief on the grounds of unfairly prejudicial and oppressive conduct
Application	406. An application to the Court by petition for an order under section 401 in relation to a company may be made by a member of the company, the Board or any other person approved by the Court. (2) In this section and section 404, "member" includes– (a) the personal representative of a deceased member; and (b) any person to whom shares have been transferred or transmitted by operation of law.

Grounds of application.	407. (1)An application for relief on the ground that the affairs of a company are being conducted in an illegal or oppressive manner may be made to the Court by petition. (2) An application to the Court by petition for an order under this section in relation to a company may be made– (a) by a member of the company who alleges– (i) that the affairs of the company are being conducted in a manner that is oppressive or unfairly prejudicial to, or unfairly discriminatory against, a member or members, or in a manner that is in disregard of the interests of a member or the members as a whole; (ii) that an act or omission or proposed act or omission, by or on behalf of the company or a resolution or a proposed resolution of a class of members, was or would be oppressive or unfairly prejudicial to, or unfairly discriminatory against, a member or members or was or would be in a manner which is in disregard of the interests of a member or the members as a whole; or (b) by the Board in a case where it appears to it in the exercise of its powers under this Act or any other enactment that– (i) the affairs of the company are being conducted in a manner that is oppressive or unfairly prejudicial to, or unfairly discriminatory against, a member or members or in a manner which is in disregard of the public interest; or (ii) any actual or proposed act or omission of the company (including an act or omission on its behalf) which was or would be oppressive, or unfairly prejudicial to, or unfairly discriminatory against a member or members in a manner which is in disregard of the public interests.

Powers of Court to grant relief	408. (1) If the Court is satisfied that a petition under sections 403 and 404 is well founded, it may make such an order or orders as it thinks fit for giving relief in respect of the matter complained of. (2) Without prejudice to the generality of subsection (1), the Court may make one or more of the following orders, that is, an order:– (a) for regulating the conduct of the affairs of the company in future; (b) for the purchase of the shares of any member by other members of the company; (c) for the purchase of the shares of any member by the company and for the reduction accordingly of the company's capital; (d) directing the company to institute, prosecute, defend or discontinue specific proceedings, or authorising a member or members of the company to institute, prosecute, defend or discontinue specific proceedings in the name or on behalf of the company; (e) varying or setting aside a transaction or contract to which the company is a party and compensating the company or any other party to the transaction or contract; (f) directing an investigation to be made by the Board; (g) appointing a receiver or a receiver and manager of the property of the company; (h) restraining a person from engaging in a specific conduct or from doing a specific act or thing; (i) requiring a person to do a specific act or thing. (3) Where an order under this section makes any alteration or addition to the memorandum or articles of a company, then, notwithstanding anything in any other provision of this Act but subject to the provisions of the order, the company shall not have power, without the leave of the Court, to make any further

	alteration or addition to the memorandum and articles inconsistent with the provisions of the order but, subject to this subsection, the alteration or addition shall have effect as if it had been duly made by a resolution of the company. (4) On any application under this section by a member of a company or the Board, the Court may, if it thinks fit, order the applicant to give security for the costs of the company and may direct that the application be heard in chambers.

	Investigation of companies and their affairs
Investigation of the affairs of the company by inspectors.	409. The Court may appoint one or more competent inspectors to investigate the affairs of a company and to report thereon in such manner as shall be directed– (a) in the case of a company having a share capital, on the application of members holding 10% or less of the shares issued (b) in the case of a company not having a share capital, on the application of 10% or less of the persons on the company's register of members; and (c) in any other case, on the application of the company." (2) The Court may make such an appointment if it appears to it that there are circumstances suggesting that– (a) the company's affairs are being or have been conducted with the intent to defraud its creditors or the creditors of any other person, or in a manner which is unfairly prejudicial to some part of its members; (b) any actual or proposed act or omission of the company (including an act or omission on its behalf) is or would be so prejudicial, or that the company was formed for any fraudulent or unlawful purpose; (c) persons concerned with the company's formation or the management of its affairs have, in connection therewith, been guilty of fraud, misfeasance or other misconduct towards it or towards its members; (d) the company's members have not been given all the information with respect to its affairs which they might reasonably expect; or (e) there are many other reasons for appointing the inspectors than in paragraphs (a), (b), (c), and (d).

Inspector's powers during investigation	410. (1) Where an inspector appointed under section 406 to investigate the affairs of a company thinks it necessary, for the purposes of his investigation to also investigate the affairs of another body corporate which is or at any relevant time has been the company's subsidiary or holding company or a subsidiary of its holding company or a holding company of its subsidiary, he shall report on the affairs of the other body corporate so far as he thinks that the results of his investigation of its affairs are relevant to the investigation of the affairs of the company first mentioned. (2) An inspector appointed under section 406 may at any time in the course of his investigation, without the necessity of making an interim report, inform the Court and the Board of matters coming to his knowledge as a result of the investigation tending to show that an offence has been committed.

Production of documents and evidence to inspectors	411.(1)When an inspector is appointed under section 406, it shall be the duty of all officers and agents of the company, and of all officers and agents of any other body corporate whose affairs are being investigated under section 406– (a) to produce to the inspector all records, in electronic of physical form, and documents of or relating to the company or, as the case may be, the other body corporate which are in their custody or power; (b) to attend before the inspector when required to do so; and (c) otherwise to give the inspector all assistance in connection with the investigation which he is reasonably able to give. (2) If the inspector considers that a person other than an officer or agent of the company or other body corporate is or may be in possession of information concerning its affairs, he may require that person to produce to him any register, record or documents, in physical or electronic form, in his custody or power relating to the company or other body corporate, and to attend before him otherwise to give him all assistance in connection with the investigation which he is reasonably able to give; and it is that person's duty to comply with the requirement. (3) An inspector may examine on oath the officers and agents of the company or other body corporate, and such person as is mentioned in subsection (2) in relation to the affairs of the company or other body and administer an oath accordingly. (4) In this section, a reference to officers or to agents includes past, as well as present, officers or agents and "agents" in relation to a company or other body corporate includes its bankers and persons employed by it as auditors, whether these persons are or are not officers of the company or other body corporate. (5) An answer given by a person to a question put to him in the exercise of powers conferred by this section (whether it has effect

	in relation to an investigation under section 406 as applied by any other section in this Act) may be used in evidence against him. (6) If any officer or agent of a company or body corporate– (a) refuses to produce to the inspectors any register, record or document which it is his duty to produce; or (b) refuses to answer any question which is put to him by the inspectors with respect to the affairs of the company or body corporate, the inspectors may certify the refusal under his hand to the Court and it may then enquire into the case; and after hearing any witnesses who may be produced against or on behalf of the alleged offender or hearing any statement which may be offered in defence, the Court may punish the offender in the same manner as if he had been guilty of contempt of the Court.

Powers of inspector to call for directors' bank accounts.	412. If an inspector has reasonable grounds for believing that a director, or past director or other officer of the company or other body corporate whose affairs he is investigating maintains or has maintained a bank account of any description (whether alone or jointly with another person and whether in Sierra Leone or elsewhere), into or out of which there has been paid– (a) the emoluments or part of the emoluments of his office as such director particulars of which have not been disclosed in the financial statements of the company or other body corporate for any financial year, contrary to this Act (in relation to particulars in accounts of directors); (b) any money which has resulted from or been used in the financing of an undisclosed transaction, arrangement or agreement; or (c) any money which has been in any way connected with an act or omission or series of acts or omissions which on the part of that director constituted misconduct (whether fraudulent or not) towards the company or body corporate or its members, the inspector may require the director to produce to him all documents in the director's possession, or under his control, relating to that bank account.

Inspectors' report.	413. (1) On the conclusion of the investigation, the inspectors shall submit their report to the Court. (2) A copy of the report referred to in subsection (1) shall be forwarded by the Court to the Board and the registered office of the company, and a further copy shall, at the request of the applicants for the investigation, be delivered to them. (3) In any case, the Court may, if it thinks fit– (a) furnish a copy of the report on request and on payment of the prescribed fee to– (i) any member of the company or other body corporate which is the subject of the report; (ii) any person whose conduct is referred to in the report; the auditors of that company or body corporate; or (iv) any other person whose financial interests appear to the Court to be affected by the matters dealt with in the report, whether as creditors of the company or body corporate, or otherwise; and (b) cause such a report to be printed and published.
Power to bring civil proceedings.	414. (1) If, from any report made under section 410, it appears to the Board that any civil proceedings ought in the public interest to be brought by the company or the applicant, the Board may itself bring such proceedings in the name of the company or the applicant. (2) The Board shall indemnify the company or applicant against any costs or expenses incurred by it or him in or in connection with proceedings brought under this section; and any cost or expenses so incurred shall be, if not otherwise recoverable, defrayed out of the Consolidated Fund.

Criminal proceedings on report by inspector.	415. (1) If, from any report made under section 410, it appears to the Court, the company, a member of the company or the applicant that any person has been guilty of any offence in relation to the company for which he is liable, the Court, company, member or applicant shall refer the matter to the Attorney General. (2) If, where any matter is referred to the Attorney General under this section, he considers that– (a) the case is one in which a prosecution ought to be instituted and; (b) it is desirable in the public interest that the prosecution should be conducted by him, he shall institute proceedings accordingly, and it shall be the duty of all officers and agents of the company, past and present (other than the defendant in the proceedings), to give to him all assistance in connection with the prosecution which they are reasonably able to give. (3) The expenses of and incidental to an investigation under section 406 shall be defrayed as follows:– (a) where as a result of the investigation, a prosecution is instituted by the Attorney-General, the expenses shall be defrayed by the Accountant General; (b) in any other case, the expenses shall be defrayed by the company unless the Court directs that they shall either be paid by the applicants or in part by the company and in part by the applicants.
Inspector's report to be used as evidence in legal proceedings.	416. A copy of the report of any inspector appointed under this Part, authenticated by the seal of the company or body corporate whose affairs they have investigated, shall be admissible in any legal proceedings as evidence of the opinion of the inspectors in relation to any matter contained in the report.

Appointment, etc. of inspectors to investigate ownership of a company.	417. (1) Where it appears to the Board, that there is good reason to do so, it may appoint one or more competent inspectors to investigate and report on the membership of any company and otherwise with respect to the company for the purpose of determining the true persons who are or have been financially interested in the success or failure of the company or able to control or materially to influence the policy of the company. (2) The appointment of an inspector under this section may define the scope of his investigation, with regard to the matter or the period to which it is to extend or otherwise and in particular may limit his investigation to matters connected with particular shares or debentures. (3) Where an application for an investigation under this section with respect to particular shares or debentures of a company is made to the Board by members of the company and the number of applicants or the amount of the shares held by them is not less than that required for an application for the appointment of an inspector under paragraphs (a) and (b) of subsection (1) of section 406– (a) the Board shall appoint an inspector to conduct the investigation unless it is satisfied that the application is vexatious; and (b) the inspector's appointment shall not exclude from the scope of his investigation any matter which the application seeks to include, except in so far as the Board is satisfied that it is reasonable for the matter to be investigated. (4) Subject to the terms of an inspector's appointment, his powers shall extend to the investigation of any circumstances suggesting the existence of an arrangement or understanding which, though not legally binding, is or was observed or likely to be observed in practice and which is relevant to the purposes of his investigation.

Provisions applicable to investigations	418. For the purposes of any investigation under section applicable to 414, sections 406 to 410 shall apply with the necessary modifications to references to the affairs of the company or to those of any body corporate, and– (a) the sections shall apply in relation to all persons– (i) who are or have been, or whom the inspector has reasonable cause to believe to be or have been, financially interested in the success or failure or the apparent success or failure of the company or other body corporate whose membership is investigated with that of the company; or (ii) who are able to control or materially to influence the policy thereof, including persons concerned only on behalf of others, as they apply in relation to officers and agents of the company or of the other body corporate, as the case may be; and (b) the Board shall not be bound to furnish the company or any other person with a copy of any report by an inspector appointed under this section or with a complete copy of it if it is of the opinion that there is good reason for not divulging the contents of the report or of part of it, but shall keep a copy of the report, or, as the case may be, the parts of any report, as regards which it is not of that opinion. (2) The expenses of any investigation under section 276 shall be defrayed out of the funds of the Board.

Power to require information as to persons interested in shares, etc	419. Where it appears to the Board that there is Power to require a good reason to investigate the ownership of any shares in or information debentures of a company and that it is necessary to appoint an inspector for the purpose, the Board may require any person interested in shares, etc., who it has reasonable cause to believe– (a) to be or to have been interested in those shares or debentures; or (b) to act or to have acted in relation to those shares or debentures as a legal practitioner or an agent of someone interested in the shares or debentures, to give to the Board any information which the person has or might reasonably be expected to obtain as to the present and past interest in those shares or debentures and the names and addresses of the persons interested, and of any persons who act or have acted on their behalf in relation to the shares or debentures. (2) For the purposes of this section, a person shall be deemed to have an interest in a share or debenture if– (a) he has any right to acquire or dispose of the shares or debentures or any interest in them or to vote in respect of them; (b) if his consent is necessary for the exercise of any of the rights of other persons interested in the shares or debentures; (c) if other persons interested in the shares or debentures can be required or are accustomed to exercise their rights in accordance with his instructions. (3) Any person who– (a) fails to give any information required of him under this section; (b) in giving such information makes any statement which he knows to be false in a material particular; or

	(c) recklessly makes any statement which is false in a material particular, shall be guilty of an offence.

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Powers to impose restrictions on shares, etc.	420. (1) Where in connection with an investigation under section 414 or 415 it appears to the Board that there is difficulty in finding out the facts about any share (whether issued or to be issued), and that the difficulty is due wholly or mainly to the unwillingness of the persons concerned or any of them to assist the investigation as required by this Act, the Board may in writing direct that the shares shall, until further notice be subject to the restrictions imposed by this section. (2) So long as any shares are directed to be subject to the restrictions imposed by this section– (a) any transfer of those shares, or in case of unissued shares any transfer of the right to be issued therewith and any issued shares, shall be void; (b) no voting rights shall be exercisable in respect of those shares; (c) no further shares shall be issued in right of those shares or in pursuance of any offer made to the holder of those shares; (d) except in a liquidation, no payment shall be made of any sums due from the company on those shares, whether in respect of capital or otherwise. (3) Where the Board directs shares to be subject to restrictions under this section or refuses to direct that shares shall cease to be subject to restrictions, any person aggrieved thereby may appeal to the Court, and the Court may, if it sees fit, direct that the shares shall cease to be subject to the restrictions. (4) Any direction or order of the Court that shares shall cease to be subject to restrictions under this section, expressed to be made with a view to permitting a transfer of those shares may continue the restrictions mentioned in paragraphs (c) and (d) of subsection (2), either in whole or in part, so far as they relate to any right acquired or offer made before the transfer. 5) Any person who–

	(a)exercises or purports to exercise any right to dispose of any shares which, to his knowledge, are for the time being subject to restrictions under this section; (b) votes in respect of any shares, whether as holder or proxy, or appoints a proxy to vote in respect of such shares; (c) being the holder of such shares, fails to notify that they are subject to the restrictions, shall be guilty of an offence and be liable to a fine or to imprisonment, or to both the fine and imprisonment. (6) Where shares in any company are issued in contravention of the restrictions, the company and every officer of the company who is in default shall be guilty of an offence. (7) This section shall apply in relation to debentures as it applies in relation to shares.

Savings for legal practitioners and bankers.	421. Nothing in this Part shall require disclosure to the courts or the Board or to an inspector appointed by it by– (a) a legal practitioner of any privileged communication made to him in that capacity, except as regards the name and address of his client; or (b) a company's bankers, as such, of any information as to the affairs of any of their customers other than the company.
Disclosure of Nominee Arrangements	422. (1) Any person acting as a Nominee Director or Nominee Shareholder shall, at the time of appointment or allotment, disclose to the company and the Board the identity of the nominator (the true controller). (2) The company shall maintain a Register of Nominee Arrangements which shall be accessible to any member holding 5% or more of the company's shares. (3) Failure to disclose a nominee arrangement shall render any resolution passed by the vote of such shares voidable at the instance of a minority member.
Small Shareholders' Grievance Mechanism	423. (1) For companies classified as "Small Companies" under this Act, a member may refer a dispute regarding oppressive conduct to a Mediator before approaching the Court. (2) The Board shall appoint a mediator to resolve the dispute within 30 days. (3) An agreement reached through this mediation and signed by the parties shall be enforceable as an Order of the Court.

Business Judgment Rule" as a Shield for Minority Interests	424. In any proceeding under this Part, the Court shall not defer to the "Business Judgment" of a director if the applicant provides prima facie evidence that: (a) the director had a material personal interest in the transaction; (b) the director did not inform themselves to the extent they reasonably believed to be appropriate; or (c) the decision was one that no reasonable person in that position would consider to be in the best interest of the company.
Protection for Whistleblowers	425. (1) No director, officer, or employee of a company shall be liable to any civil or criminal proceedings, or be dismissed or prejudiced in their employment, for disclosing in good faith to the Board or an Inspector any information suggesting oppressive or illegal conduct. (2) Any provision in a contract of employment or a "Non-Disclosure Agreement" (NDA) that purports to prohibit such disclosure shall be void to that extent.
Mandatory "Exit Right" in Deadlocked Companies	426. (1) Where the Court finds that the management of a company is in a state of permanent deadlock, and it is not just and equitable to wind up the company, the Court may order a "Texas Shoot-out" or "Dutch Auction" mechanism. (2) Under this order, one party shall be required to offer a price for the other's shares, and the receiving party shall have the option to either sell at that price or buy the offering party's shares at the same price.
	INVESTIGATION OF THE AFFAIRS OF LIMITED LIABILITY PARTNERSHIPS

Investigation of Limited Liability Partyership	427. (1) Where a court, by order, declares that the affairs of a limited liability partnership ought to be investigated, the Board shall appoint one or more competent persons as inspectors to investigate the affairs of a limited liability partnership and to report thereon in such manner as it may direct. (2) Notwithstanding the provisions of subsection (1), the Board may appoint one or more competent persons as inspectors to investigate the affairs of a limited liability partnership and to report on them in such manner as it may direct. (3) The appointment of inspectors under subsection (2) may only be made if— (a) at least one-fifth of the total number of partners of the limited liability partnership make an application along with supporting evidence and security amount as may be prescribed ; (b) the limited liability partnership makes an application that the affairs of the limited liability partnership ought to be investigated ; or (c) in the opinion of the Board, there are circumstances suggesting— (i) that the business of the limited liability partnership is being or has been conducted with an intent to defraud its creditors, partners or any other person, or otherwise for a fraudulent or unlawful purpose, (ii) that the business of the limited liability partnership is being or has been conducted in a manner oppressive or unfairly prejudicial to some or any of its partners, or that the limited liability partnership was formed for any fraudulent or unlawful purpose, (iii) that the affairs of the limited liability partnership are not being

	conducted in line with the provisions of this Act, or (iv) that, on receipt of a report of the Board or any other investigating or regulatory agency, there are sufficient reasons to show that the affairs of the limited liability partnership ought to be investigated.

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Application by Partners for Investigation	428. An application by the partners of the limited liability partnership under section 427(3) shall be supported by such evidence as the Board may require for the purpose of showing that the applicants have good reason for requiring the investigation and the Board may, before appointing an inspector, require the applicants to give security, of such amount as may be prescribed, for payment of costs of the investigation.
Appointment of Inspector	429. No firm, body corporate or other association shall be appointed as an inspector.
Power of Inspector	430. (1) If an inspector appointed by the Board to investigate the affairs of a limited liability partnership thinks it necessary for the purposes of his investigation to also investigate the affairs of an entity which has been associated in the past or is presently associated with the limited liability partnership or any present or former partner or designated partner of the limited liability partnership, the inspector shall have the power to do so and shall report on the affairs of the other entity or partner or designated partner, so far as he thinks that the results of his investigation are relevant to the investigation of the affairs of the limited liability partnership. (2) In the case of any entity or partner or designated partner referred to in subsection (1), the inspector shall not exercise the power of investigating into, and reporting on, its or his affairs without obtaining the prior approval of the Board. (3) Before giving approval under this subsection, the Board shall give the entity, partner or designated partner a reasonable opportunity to show cause why the approval should not be accorded.

Production of Documents and Evidence	431. (1) The designated partner and partners of the limited liability partnership shall— (a) preserve and produce before an inspector or any person authorised by him in that behalf with the or approval of the Board , all books and papers of, or relating to, the limited liability partnership or the other entity, as the case may be, which are in their custody or power ; and (b) give the inspector all assistance in connection with the investigation which they are reasonably able to give. (2) The inspector may, with the previous approval of the Board, require any entity, other than an entity referred to in subsection (1), to furnish such information to, or produce such books and papers before him or any person authorised by him on that behalf, with the previous approval of the Board, as he may consider necessary, if the furnishing of such information or the production of such books and papers is relevant or necessary for the purposes of his investigation. (3) The inspector may keep in his custody any books and papers produced under subsections (1) or (2) for 30 days and thereafter shall return the same to the limited liability partnership, other entity or individual by whom or on whose behalf the books and papers are produced: Provided that the inspector may call for the books and papers if they are needed again and that if certified copies of the books and papers produced under subsection (2) are furnished to the inspector, he shall return those books and papers to the entity or person concerned. (4) An inspector may— (a) examine on oath—

	(i) any of the persons referred to in subsection (1), (ii) with the prior approval of the Board, any other person in relation to the affairs of the limited liability partnership or any other entity, as the case may be ; and (b) administer an oath accordingly and for that purpose may require any of those persons to appear before him personally ; (c) if any person fails without reasonable cause or refuses to— (i) produce before an inspector or any person authorised by him in that behalf, with the prior approval of the Board, any book or paper which it is his duty under subsections (1) or (2) to produce, (ii) furnish any information which is his duty under subsection (2) to furnish, (iii) appear before the inspector personally when required to do so under this subsection or to answer any question which is put to him by the inspector under that subsection, or (iv) to sign the notes of any examination, the inspector shall certify the refusal in writing and apply to the Court for contempt proceedings against the person, the Court may thereupon enquire into the case, and after hearing any witnesses who may be produced against or on behalf of the alleged offender or any statement which may be offered in defence, the Court may punish the offender in like manner as if he had been guilty of contempt of the court. (5) The notes of any examination under subsection (4) shall be written and signed by the person whose examination was made

	on oath and a copy of such notes shall be given to the person so examined on oath and thereafter be used as evidence by the inspector.

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Seizure of documents by inspector	432. (1) Where in the course of investigation, the inspector has reasonable ground to believe that the books and papers of, or relating to, the limited liability partnership, other entity, partner or designated partner of such limited liability partnership may be destroyed, mutilated, altered, falsified or secreted, the inspector may make an application to the Court having jurisdiction, for an order for the seizure of such books and papers. (2) After considering the application and hearing the inspector, if necessary, the court may, by order, authorise the inspector to— (a) enter, with such assistance, as may be required, the place or places where such books and papers are kept ; (b) search that place or those places in the manner specified in the order ; and (c) seize books and papers which the inspector considers necessary for the purposes of his investigation. (3) The inspector shall keep in his custody the books and papers seized under this section for such period not later than the conclusion of the investigation as he considers necessary and thereafter shall return the same to the concerned entity or person from whose custody or power they were seized and inform the court of such return, provided the books and papers shall not be seized for a continuous period of more than six months and the inspector may, before returning the books and papers as, place identification marks on them or any part thereof.

Inspectors Report	433. (1) The Inspector may, and if so directed by the Board, make interim reports to the Commission, and shall, on the conclusion of the investigation, make a final report to the Board and any such report shall be printed. (2) The Board— (a) shall forward a copy of any report other than an interim report, made by the inspectors to the limited liability partnership at its registered office, and also to any other entity or person dealt with or related to the report ; and (b) may, if it deems fit, furnish a copy of the report, on request and on payment of the prescribed fee, to any person or entity related to or affected by the report.
Power to bring civil proceedings on limited liability partnership's behalf	434. (1) If, from any report made under section 433 of this Act, it appears to the Board that any civil proceedings ought in the public interest to be brought by the limited liability partnership or anybody corporate, the Board may itself bring such proceedings in the name and on behalf of the limited liability partnership or the body corporate. (2) The Board shall indemnify the body corporate against any cost or expenses incurred by it or in connection with proceedings brought under this section, and any cost or expenses so incurred shall, if not otherwise recoverable, be defrayed out of the Consolidated Revenue Fund.

Criminal Proceedings	435. (1) If, from any report made under section 433 of this Act, it appears that a person has been convicted of an offence for which he is criminally liable, the report shall be referred to the Attorney-General. (2) Where the Attorney-General considers that the case referred to him is one in which a prosecution ought to be instituted, he shall direct action accordingly, and all past and present officers and agents of the limited liability partnership or other body corporate, as the case may be, other than the defendant in the proceedings, shall give all assistance in connection with the prosecution which they are reasonably able to give. (3) Where, from any report made under section 433 of this Act, it appears to the Board that proceedings ought, in the public interest, to be brought by any body corporate dealt with by the report for the recovery of damages, in respect of fraud, misfeasance or other misconduct in connection with the promotion or formation of that body corporate or the management of its affairs, or for the recovery of any property of the body corporate which has been misapplied or wrongfully retained, it may refer the case to the Attorney-General for his opinion as to the bringing of proceedings for that purpose in the name of the body corporate if proceedings are brought, all past and present officers and agents of the limited liability partnership or other body corporate as the case may be, other than the defendants in proceedings, to give him all assistance in connection with the proceedings which they are reasonably able to give. (4) Cost and expenses incurred by a body corporate in or in connection with any proceedings brought by it under subsection (3) shall, if not otherwise recoverable, be defrayed out of the Consolidated Revenue Fund.

Petition for winding up on inspector's report	436. If, in the case of a body corporate liable to be wound up under this Act, it appears to the Board from a report made by an inspector under section 433 that it is expedient in the public interest that the body corporate should be wound up, the Board may, unless the body corporate is already wound up by the court present a petition for it to be wound up if the Court deems it just and equitable to do so.
Recovery of investigation expenses	437. (1) The expenses of, and incidental to, an investigation by an inspector appointed by the Board under the foregoing provisions of this Act, shall be defrayed in the first instance out of the Consolidated Revenue Fund, but the following persons shall, to the extent mentioned, be liable to repay— (a) any person who is convicted in a prosecution instituted, as a result of the investigation report by the Attorney-General, or who is ordered to pay damages or restore any property in proceedings brought by virtue of section 435(3) of this Act, may in the same proceedings be ordered to pay the said expenses to such extent as specified in the order; (b) a body corporate in whose name proceedings are brought as aforesaid is liable to the extent of the amount or value of any sums or property recovered by it as a result of those proceedings; (c) unless as the result of the investigation a prosecution is instituted by the Attorney-General, the applicants for the investigation, where the inspector was appointed under section 427 (3) of this Act, shall be liable to such extent, if any, as the Board may direct, and any amount for which a body corporate is liable by virtue of paragraph (b), shall be a first charge on the sums or property mentioned in that paragraph. (2) For the purposes of this section, any costs or expenses incurred by the Board in or in connection with proceedings

	brought by virtue of section 432 (2) of this Act, shall be treated as expenses of the investigation giving rise to the proceedings. (3) Expenses to be defrayed by the Board under this section shall, so far as not recovered thereunder, be paid out of the Consolidated Revenue Fund.

Board petition to wind up LLP	438.Where a limited liability partnership is liable to be wound up under this Act or any other law for the time being in force, it appears to the Board from a report under section 433 that it is expedient to do so, the Board may, unless the limited liability partnership is already being wound up by the court, cause to be presented to the court by any person authorised by the Board in that behalf, a petition for the winding-up of the limited liability partnership on the ground that it is just and equitable that it should be wound up.
Inspector's report as evidence	439. A copy of the report of any inspector or inspectors appointed under the provisions of this Act, authenticated in such manner, as may be prescribed shall be admissible in any legal proceeding as evidence in relation to any matter contained in the report.
	PART XV – ACCOUNTING RECORDS, FINANCIAL STATEMENTS AND AUDIT

Company to keep accounting records.	440. (1) Every company shall cause accounting records to be kept in accordance with this section. (2) The accounting records are sufficient to show and explain the transactions of the company and as such, are to— (a) disclose with reasonable accuracy, at any time, the financial position of the company; and (b) enable the directors to ensure that any financial statements prepared under this Part comply with the requirements of this Act as to the form and content of the company's financial statements. (3) The accounting records shall, in particular, contain— (a) entries from day to day of all sums of money received and expended by the company, and the matters in respect of which the receipt and expenditure took place; and (b) records enabling the company to determine its assets and liabilities. (4) If the business of the company involves dealing in goods, the accounting records shall contain— (a) statements of stocks held by the company at the end of each year of the company; (b) all statements of stocks from such statement of stock as is mentioned in paragraph (a) of this subsection has been or is to be prepared; and (c) except in the case of goods sold by way of ordinary retail trade, statements of all goods sold and purchased, showing the goods and the buyers and sellers in sufficient detail to enable all these to be identified. (5) Each public company shall keep its audited accounts displayed on its website.

Place, duration, and form of records	441. (1) The accounting records of a company shall be kept at its registered office or such other place in Sierra Leone as the directors think fit and shall at all times be open to inspection by the officers of the company. (2) Subject to any direction with respect to the disposal of records given under this Act, accounting records which a company is required by Section 440 to be kept shall be preserved by it for a period of 6 years from the date on which they were made. (3) A company may, in addition to original hard copies, keep electronic copies or registers of any document or record it is obliged to keep or maintain under this Act, and where a company chooses to maintain electronic copies or registers of its documents or records, the company shall give sufficient consideration to the quality of the hardware and software to be used, and technical specifications such as protocol, security, anti-virus protection or encryption.
Penalties for non-compliance with sections 458 and 459.	442. (1) If a company fails to comply with any provision of section 458 or 459, every officer of the company who is in default shall be guilty of an offence unless he shows that he acted honestly and that in the circumstances in which the business of the company was carried on, the default was excusable. (2) An officer of a company shall be guilty of an offence if he fails to take all reasonable steps for securing compliance by the company with section 459 or has intentionally caused any default by the company under it. (3) A person guilty of an offence under this section shall be liable to a fine.
	Company's accounting reference periods and financial year

Accounting reference periods and financial year	443. (1) A company's accounting reference period shall be determined according to its accounting reference date. (2) A company may give notice in the prescribed form to the Board specifying a date in the calendar year as being the date on which, in each successive calendar year, an accounting reference period of the company is to be treated as coming to an end; and the date specified in the notice is then the company's accounting reference date. (3) No notice shall have effect unless it is given before the end of 6 months beginning with the date of the commencement of business by a company and, failing such notice, the company's accounting reference date shall be 31st March. (4) A company's first accounting reference period is such a period ending with its accounting reference date, which begins on the date of its incorporation and is a period of more than 6 months and not more than 18 months; and each successive period of 12 months beginning after the end of the first accounting reference period and ending with the accounting reference date is also an accounting reference period of the company. (5) This section is subject to section 444, under which, in certain circumstances, a company may alter its accounting reference date and accounting reference periods

Alteration of accounting reference period	444. (1) At any time during a period which is an accounting reference of a company by virtue of section 443, the company may give notice in the prescribed form to the Board specifying a date in the calendar year (the new accounting reference date) on which that accounting reference period (the current accounting reference period) and each subsequent accounting reference period of the company is to be treated as coming to an end or (as the case may require) as having come to an end. (2) At any time after the end of a period which was an accounting reference period of a company by virtue of section 443 the company may give notice in the prescribed form to the Board specifying a date in the calendar year ("the new accounting reference date") on which that accounting reference period ("the previous accounting reference period") and each subsequent accounting reference period of the company is to be treated as coming or (as the case may require) as having come to an end. (3) A notice under subsection (2) shall have no effect– (a) unless the company is a subsidiary or holding company of another company and the new accounting reference date coincides with the accounting reference date of that other company; and (b) if the period allowed for laying and delivering accounts in relation to the previous accounting reference period has already expired at the time when the notice is given. (4) A notice under this section shall state whether the current or previous accounting reference period of the company– (a) is to be treated as shortened, so as to come to an end or (as the case may require) be treated as having come to an end on the new accounting reference date on the first occasion on which that date falls or fell after the beginning of that accounting reference period; or

	(b) is to be treated as extended, so as to come to an end or (as the case may require) be treated as having come to an end on the new accounting reference date on the second occasion on which that date falls or fell after the beginning of that accounting reference period (5) A notice which states that the current or previous accounting reference period is to be extended shall have no effect if the current or previous accounting reference period, as extended in accordance with the notice, would exceed 18 months. (6) Subject to any direction given by the Board under subsection (7), a notice which states that the current or previous accounting reference period is to be extended shall have no effect unless– (a) no earlier accounting reference period of the company has been extended by virtue of a previous notice given by the company under this section; (b) the notice is given not less than 5 years after the date on which any earlier accounting reference period of the company, which was so extended, came to an end; or (c) the company is a subsidiary or holding company of another company, and the new accounting reference date coincides with the accounting reference date of that other company. (7) The Board may, if it thinks fit, direct that subsection (6) shall not apply to a notice already given by a company under this

	section or (as the case may be) in relation to a notice which may be so given.

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Consequence of giving notice under section 443.	445. (1) Where a company has given notice under section 443 and that notice has not been superseded by a subsequent notice by the company, the new date specified in the notice is the company's accounting reference date, in substitution for that which, by virtue of section 444, was its accounting reference date at the time when the notice was given. (2) Where, by virtue of such a notice, one date is substituted for another as the accounting reference date of a company– (a) the current or previous accounting reference period, shortened or extended (as the case may be) in accordance with the notice; and (b) each successive period of 12 months beginning after the end of that accounting reference period (as so shortened or extended) and ending with the new accounting reference date, or (as the case may require) shall be treated as having been an accounting reference period of the company, instead of any period which would be an accounting reference period of the company if the notice had not been given. (3) Section 444 and this section shall not affect any accounting reference period of the company which– (a) in the case of a notice under subsection (1) of section 444 is earlier than the current accounting reference period; or (b) in the case of a notice under subsection (2) of section 444, is earlier than the previous accounting reference period.

Inspection of Accounts and books by non-directors	446. (1) Subject to subsection (2), the directors shall from time to time determine whether and to what extent, at what time and places and under what conditions and regulations the accounts and books of the company, or any of them shall be open for the inspection of members who are not directors. (2) No member who is not a director shall have any right to inspect any account or book or document of the company unless that right is conferred by this Act or authorised by the directors or the company at a general meeting.

Annual accounts and reporting duties	447. (1) The directors of every company shall, in respect of each financial year of the company, prepare financial statements for the year which shall comply with International Financial Reporting Standards. (2) Subject to subsection (3), the financial statements required under subsection (1) shall include– (a) statement of the accounting policies; (b) the balance sheet as at the last day of the financial year; (c) an income statement or, in the case of a company not trading for profit, an income and expenditure account for the year; (d) notes on the accounts; (e) the auditor's report; (f) the directors' report; (g) cash flow statements; (h) a five-year financial summary for publicly traded companies; and (i) in the case of a holding company, the group financial statements. (3) The financial statements of a private company need not include the matters stated in paragraphs (a), (g), (h) and (i) of subsection (2) (4) The directors shall, at their first meeting after the incorporation of the company, determine to what date in each year financial statements shall be made up, and they shall give notice of the date to the Board within 14 days of the determination (5) In the case of a holding company, the directors shall ensure that, except where in their opinion there are good reasons against it, the financial year of each of its subsidiaries shall coincide

	with the year of the company. (6) The directors of every company shall ensure that all financial statements prepared in respect of the financial year are audited. (7) Notwithstanding Subsection (5), the financial statements of small companies shall not be required to be audited but are to be prepared in accordance with the requirements of this part.

	Form and content of company, individual and group financial statements

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Form and content of individual financial statements **Second Schedule**	448. (1) The financial statements of a company prepared under section 447, shall comply with the requirements of the Second Schedule (so far as applicable) with respect to their form and content, and with the International Financial Reporting Standards adopted from time to time by the Institute of Chartered Accountants of Sierra Leone after due consultation with such accounting bodies as they may think fit for these purposes provided that such accounting standards do not conflict with of this Act or that Schedule. (2) The balance sheet shall give a fair representation of the state of affairs of the company as at the end of the year; and the profit and loss account shall give a true and fair view of the profit or loss of the company for the year. (3) The cash flow statements shall provide information on the generation and utilisation of funds by the company during the year. (4) The five-year financial summary shall provide a report for a comparison over a period of five years or more of vital financial information. (5) Subsection (2) overrides– (a)the requirements of the Second Schedule; and (b) all other requirements of this Act as to the matters to be included in the accounts of a company or in notes to those accounts; and accordingly, subsections (6) and (9) shall have effect. (6) If the balance sheet or profit and loss account drawn up in accordance with those requirements would not provide sufficient information to comply with subsection (2), any necessary additional information shall be provided in that balance sheet or profit and loss account, or in a note to the accounts.

	(7) If, owing to special circumstances in the case of any company, compliance with such requirement in relation to the balance sheet or profit and loss account would prevent compliance with subsection (2), any necessary additional information shall be provided in that balance sheet or profit and loss account, or in a note to the accounts. (8) If the directors depart from such a requirement, particulars of the departure, the reasons for it and its effect shall be given in a note to the accounts. (9) Subsections (1) to (8) shall not apply to group accounts prepared under section 449, and subsections (1) and (2) shall not apply to a company's income statement (or require the notes otherwise required in relation to that account) if– (a) the company has subsidiaries; and (b) the income statement framed as a consolidated account dealing with all or any of the subsidiaries of the company, as well as the company– (i) complies with the requirements of this Act relating to consolidated profit and loss accounts; and (ii) shows how much of the consolidated profit and loss account for the year is dealt with in the individual financial statements of the company. (10) If group financial statements are prepared and advantage is taken of subsection (6), that fact shall be disclosed in a note to the group financial statements.

Group financial statements of holding company	449. (1) If at the end of a financial year a company has subsidiaries, the directors shall, as well as prepare individual accounts for that year, also prepare group financial statements being accounts or statements which deal with the state of affairs and profit or loss of the company and the subsidiaries. (2) Subsection (1) shall not apply if the company is a wholly owned subsidiary of another body corporate incorporated in Sierra Leone. (3) A group financial statement may not deal with a subsidiary if the directors of the company are of the opinion that- (a) it is impracticable, or would be of no real value to the members, in view of the insignificant amounts involved; (b) it would involve expense or delay out of proportion to its value to members of the company; (c) the result would be misleading, or harmful to the business of the company or any of its subsidiaries; or (d) the business of the holding company and that of the subsidiary are so different that they cannot reasonably be treated as a single undertaking. (4) The group financial statements of a company shall consist of a consolidation of– (a) the balance sheet dealing with the state of affairs of the company and all the subsidiaries of the company; and (b) the profit and loss account of the company and its subsidiaries. (5) If the directors are of the opinion that it is better for the purpose of presenting the same or equivalent information about the state of affairs and profit or loss of the company and its subsidiaries, and that to so present it that it may be readily appreciated by the members of the company, the group financial statements may be

	prepared in a form not consistent with subsection (1) and in particular, the group financial statement may consist of– (a) more than one set of consolidated financial statements dealing respectively with the company and one group of subsidiaries and with other groups of subsidiaries; (b) separate financial statements dealing with each of the subsidiaries; or (c) statements expanding the information about the subsidiaries in the individual balance sheet and profit and loss account of the holding company.

Form and content of group financial statements. Second Schedule	450. (1) The group financial statements of a holding company shall comply with the requirements of the Second Schedule, so far as applicable to group financial statements in the form in which those accounts are prepared with respect to the form and content of those statements and any additional information to be provided by way of notes to those accounts. (2) Group financial statements together with any notes on them shall give a true and fair view of the state of affairs and profit or loss of the company and the subsidiaries dealt with by those statements as a whole. (3) Subsection (2) overrides– (a) the requirements of the Second Schedule; and (b) all other requirements of this Act as to the matters to be included in the group financial statements or in notes to those statements and accordingly, subsections (4) and (5) shall have effect. (4) If, group financial statements are not in accordance with the requirements of this Act by not providing sufficient information in compliance with subsection (2), any necessary additional information shall be provided in, or in a note to, the group financial statements. (5) If, owing to special circumstances in the case of any company compliance with such requirements in relation to its group financial statements would prevent the statements from complying with subsection (2) (even if additional information were provided in accordance with subsection (4) the directors may depart from that requirement in preparing the group financial statements.

Notes and additional disclosure Second Schedule	451. (1) The additional matters contained in the Second Schedule shall be disclosed in the company's financial statements for the year, and in that Schedule where a thing is required to be stated or shown, or information is required to be given, it shall be construed to mean that the thing shall be stated or shown, or the information is to be given in a note to those statements. (2) In the Second Schedule– (a) Parts I and II deal respectively with the disclosure of particulars of the subsidiaries of the company and its shareholders; (b) Part III deals with the disclosure of financial information relating to subsidiaries; (c) Part IV requires a subsidiary company to disclose its ultimate holding company; (d) Part V deals with the emoluments of directors, including emoluments waived, pensions of directors and compensation for loss of office to directors and past directors; and (e) Part VI deals with the disclosure of the number of the employees of the company who are remunerated at higher rates. (3) Whenever it is stated in the Second Schedule that this subsection shall apply to certain particulars or information, the particulars or information shall be annexed to the annual return first made by the company after copies of its financial statements have been laid before its shareholders in a general meeting; and if a company fails to satisfy an obligation thus imposed, the company and every officer who is in default shall be guilty of an offence and shall be liable to a fine and for continued contravention, to a daily default fine. (4) It shall be the duty of any director of a company to give notice to the company of such matters relating to himself as may be necessary for the purposes of Part V of the Second Schedule and

	this applies to persons who are or have at any time in the preceding 3 years been officers, as it applies to directors. (5) A person who defaults in complying with subsection (4) shall be guilty of an offence and be liable to a fine for each day during which the default continues.

	Directors' Report
Directors' report	452. (1) Subject to section 462, the directors for each company shall prepare in respect of each financial year a report – (a) containing a representation of the effects of transactions, other events and conditions, in accordance with the definitions and recognition criteria for assets and liabilities, income and expenses set out in the International Accounting Standards Board's Framework for the Preparation and Presentation of Financial Statements; (b) stating the amount (if any) that they recommend should be paid as a dividend and any further appropriation of profits. (2) The directors' report shall state the names of the persons who, at any time during the financial year, were directors of the company, and the principal activities of the company and its subsidiaries in the course of the year and any significant change in those activities in the year. (3) The report shall also state the matters and give the particulars required by Part I of the Third Schedule to this Act. (4) Part II of the Third Schedule shall apply as regards the matters to be stated in the report of the directors in the circumstances specified in it. (5) Part III of the Third Schedule shall apply as regards the matters to be stated in the directors' report relative to the employment, training and advancement of disabled persons, the health, safety and welfare at work of the employees of the company and the involvement of employees in the affairs, policy and performance of the company. (6) In respect of any failure to comply with the requirements of this Act as to the matters to be stated, and the particulars to be given, in the directors' report, every person who was a director of

	the company immediately before the end of the period prescribed for laying and delivering financial statements shall be guilty of an offence and be liable on conviction to a term of imprisonment or to a fine. (8) In proceedings for an offence under subsection (6), it shall be a defence for the person to prove that he took all reasonable steps for securing compliance with the requirements in question.

Signing of balance sheet and documents to be annexed thereto.	453. (1) A company's balance sheet and every copy of it which is laid before the company in a general meeting or delivered to the Board shall be signed on behalf of the Board by two of the directors of the company or if a company only has one director, by that director. (2) If a copy of the balance sheet– (a) is laid before the company or delivered to the Board without being signed as required by this section; or (b) not being a copy so laid or delivered, is issued, circulated or published in a case where the balance sheet has not been signed as so required or where (the balance sheet having been so signed) the copy does not include a copy of the signatures or signature as the case may be, the company and every officer of it who is in default shall be guilty of an offence and be liable to a fine. (3) A company's profit and loss account and so far, as not incorporated in its individual balance sheet or profit and loss account, any group accounts of a holding company, shall be annexed to the balance sheet, and the auditors' report and the directors' report shall also be attached to the balance sheet. (4) The balance sheet and the profit and loss account annexed to it shall be approved by the board of directors and signed on their behalf by two directors authorised to do so or if a company only has one director, by that director..

Persons entitled to receive financial statements as of right	454. (1) In the case of every company, a copy of the company's financial statements for the year shall, not less than 21 days before the date of the meeting at which they are to be laid in accordance with section 455 shall be sent to each of the following persons – (a) every member of the company, whether or not entitled to receive notice of general meetings; (b) every holder of the company's debentures, whether or not so entitled; and (c) all persons other than members and debenture holders, being persons so entitled. (2) In the case of a company not having a share capital, subsection (1) shall not require a copy of the financial statements to be sent to a member of the company who is not entitled to receive notices of general meetings of the company, or to a holder of the company's debenture who is not so entitled. (3) Subsection (1) shall not require copies of the financial statements to be sent to– (a) a member of the company or a debenture holder, being in either case a person who is not entitled to receive notices of general meetings, and of whose address the company is unaware; (b) more than one of the joint holders of any shares or debentures, none of whom are entitled to receive such notices; or (c) those who are not so entitled in the case of joint holders of shares or debentures, some of whom are not entitled to receive such notices. all persons other than members and debenture holders, being persons so entitled. (4) If copies of the financial statements are sent less than 21 days before the date of the meeting, it shall, notwithstanding that fact,

	be deemed to have been duly sent if it is so agreed by all the members entitled to attend and vote at the meeting. (5) If default is made in complying with subsection (1), the company and every officer of it who is in default shall be guilty of an offence and be liable to a fine

Directors' duty to lay and deliver financial statements.	455. (1) Subject to sections 310 and 462, in respect of each year, the directors shall at a date not later than 18 months after incorporation of the company and subsequently once at least in every year, lay before the company in a general meeting copies of the financial statements of the company made up to a date not exceeding nine months previous to the date of the meeting. (2)The auditors' report shall be read before the company in a general meeting and be open to the inspection of any member of the company. (3) In respect of each year, the directors shall deliver with the annual return to the Board a copy of the balance sheet, the profit and loss account and the notes on the statements which were laid before the general meeting as required by this section. (4) In the case of an unlimited company, the directors shall not be required by subsection (3), to deliver a copy of the accounts if- (a) at no time during the accounting reference period has the company been, to its knowledge, the subsidiary of a company that was then limited and at no such time, to its knowledge have there been held or been exercisable, by or on behalf of two or more companies that were then limited, shares or powers which, if they had been held or been exercisable by one of them, would have made the company its subsidiary; and (b) at no such time has the company been the holding company of a company which was then limited. (5) References in this section to a company that was limited at a particular time are to a body corporate (under whatever law incorporated), the liability of whose members was at that time limited.

Penalty for non-compliance with section 455.	456. (1) If in a year any of the requirements of subsection (1) or (3) of section 455 are not complied with by any company, every person who immediately before the end of that period was a director of the company shall, in respect of each of those subsections which is not so complied with, be guilty of an offence and be liable to a daily default fine of NLe500 in the case of a small company, a company limited by guarantee or an unlimited company, and NLe600 in the case of any other company. (2) If a person is charged with an offence in respect of any of the requirements of subsection (1) or (3) of section 455, it shall be a defence for him to prove that he took all reasonable steps for ensuring that those requirements were complied with before the end of the period allowed for laying and delivering accounts. (3) In proceedings under this section with respect to a requirement to lay a copy of a document before a company in a general meeting, or to deliver a copy of a document to the Board, it shall not be a defence to prove that the document in question was not in fact prepared as required by this Part.
Default order in case of non-compliance	457. (1)If– (a) in respect of a year, any of the requirements of subsection (1) or (3) of section 455 has not been complied with by a company before the end of the period allowed for laying and delivering financial statements; and (b) the directors of the company fail to make good the default within 14 days after the service of a notice on them requiring compliance. the court may, on application by any member or creditor of the company or by the Board, make an order directing the directors (or any of them) to make good the default within such time as may be specified in the order. (2)The court's order may provide that all costs of and incidental to the application shall be borne by the directors.

	(3) Nothing in this section shall affect the provisions of section 454.
Penalty for laying or delivering defective financial statements.	458. (1) If any financial statements of a company (other than its group financial statement**)** of which a copy is laid before the shareholders in general meeting or delivered to the Board do not comply with the requirement of this Act as to the matters to be included in, or in a note to, those financial statements, every person who at the time when the copy is so laid or delivered is a director of the company shall be guilty of an offence and in respect of each offence, be liable to a fine. (2) If any group financial statements of which a copy is laid before a company in a general meeting or delivered to the Board do not comply with sections 455 or 456 and with the other requirements of this Act as to the matters to be included in or in a note to those financial statements, every person who at the time when the copy was so laid or delivered was a director of the company shall be guilty of an offence and be liable to a fine. (3) In proceedings against a person for an offence under this section, it shall be a defence for him to prove that he took all

	reasonable steps for ensuring compliance with the requirements in question.
Share holder's right to obtain copies of financial statement	459. (1) Any member of a company, whether or not he is entitled to have sent to him copies of the company's financial statements, and any holder of the company's debentures (whether or not so entitled) shall be entitled to be furnished (on demand and without charge) with a copy of the company's last financial statements. (2) If, when a person makes a demand for a document which he is entitled by this section to be furnished with, default is made in complying with the demand within 7 days after its making, the company and every officer of it who is in default shall be guilty of an offence and be liable to a daily default fine of NLe500, unless it is proved that the person has already made a demand for, and been furnished with, a copy of the document.

Reserved	460. Reserved
Reserved	461. Reserved.
Companies with fewer than 10 shareholders may opt in	462. (1) A private company with fewer than 10 shareholders must prepare a financial report, directors' report or be subject to an audit only if shareholders with at least 5% of the votes in company give the company a direction no later than 12 months after the close of the financial year to comply with 1 or more of the following provisions in relation to the accounting period: (a)section 447 or 449 (preparation of financial statements or group financial statements): (b) section 457 (audit requirement) (c) section 452 (obligation to prepare director report). (2) The direction must be signed by the shareholders giving the direction; and made no later than 12 months after the end of the financial year concerned. (3) The direction may specify all or any of the following: (a) that the financial report does not have to comply with some or all of the accounting standards; (b) that a directors' report or a part of that report need not be prepared; (c) that the financial report is to be audited. (4) If a notice is given under subsection (2) in relation to a provision and an accounting period, the provision applies to the company in relation to that period.

Reserved	463. Reserved

	Publication of financial statements
Publication by a company of full individual or group financial statements.	464. (1) This section shall apply to the publication by a company of full individual or group financial statements, that is to say, the statements required by section 455 to be laid before the company in general meeting and delivered to the Board including the directors' report, unless dispensed with or under Part III of the Second Schedule, but does not apply to interim financial statements. (2) If a company publishes individual financial statements (modified or otherwise) for a year, it shall publish with them the relevant auditor's report. (3) If a company required by section 449 to prepare group financial statements for a year, publishes individual financial statements for that year, it shall also publish with them its group financial statements. (4) If a company publishes group financial statements otherwise than together with its individual financial statements, it shall publish with them the relevant auditors' report. (5) References in this section to the relevant auditors' report are to the auditors' report under section 470, (6) If default is made in complying with any provision of this section, the company and any officer of it who is in default shall be guilty of an offence and be liable to a daily default fine of NLe500.

Publication of abridged financial statements	465. (1) This section shall apply to the publication by a company of abridged financial statements, that is to say, any balance sheet or profit and loss account relating to a year of the company or purporting to deal with such year, otherwise than as part of the full financial statements (individual or group) to which section 464 applies. (2) The reference in subsection (1) to a balance sheet or profit and loss account, in relation to financial statements published by a holding company, includes an account in any form purporting to be a balance sheet or profit and loss account for the group consisting of the holding company and its subsidiaries. (3) If the company publishes abridged financial statements, it shall publish with those statements a statement indicating— (a) that the statements are not full financial statements; (b) whether full individual or full group financial statements, according to the abridged statements, deal solely with the company's own affairs or with the affairs of the company and any subsidiaries have been delivered to the Board or, in the case of an unlimited company exempted under subsection (4) of section 455 from the requirement to deliver financial statements, that the company is exempted; (c) whether the company's auditors have made a report under section 470 on the company's financial statements for any year with which the abridged financial statements purport to deal; and (d) whether any report so made was unqualified (meaning that it was a report, without qualification, to the effect that, in the opinion of the person making it, the company's financial statements had been properly prepared). (4) Where a company publishes abridged financial statements, it shall not publish with those statements the report of the auditors as is mentioned in paragraph (c) of subsection (3).

	(5) If default is made in complying with any provision of this section, a company that contravenes any provision of this section, the company and any officer of it who is in default, shall be guilty of an offence.
	Supplementary

Power of Minister to alter accounting requirements	466. The Minister may, after consultation with the Institute of Chartered Accountants of Sierra Leone, by regulations– (a) add to the classes of documents– (i) to be comprised in a company's account for a financial year to be laid before the company in a general meeting as required by section 455, or (ii) to be delivered to the Board under that section, and make provision as to the matters to be included in any document to be added to either class; (b) modify the requirements of this Act as to the matters to be stated in a document of such class; or (c) modify the requirements of this Act as to the matters to be stated in a document of any such class or reduce the classes of documents to be delivered to the Board under section 455.

Appointment of auditors	467. (1)Every company shall, at each annual general meeting, appoint an auditor or auditors to hold office until the next annual general meeting. (2) If an appointment of auditors is not made at the annual general meeting, the court may, on the application of any member of the company, appoint an auditor of the company for the current year. (3) A person, other than a retiring auditor, shall not be capable of being appointed auditor at an annual general meeting unless notice of an intention to nominate that person to the office of auditor has been given by a member of the company not less than 14 days before the annual general meeting. (4) The company shall send a copy of the notice to the retiring auditor and shall give notice to the members either by advertisement or in any other mode allowed by the articles, not less than 7 days before the annual general meeting. (5) If, after notice of the intention to nominate an auditor had been so given, an annual general meeting is called for a date 14 days or less after the notice has been given, the notice, though not given within the time required by subsection(4), shall be deemed to have been properly given for the purposes thereof; and the notice to be sent or given within the time required by subsection (4) shall be sent or given at the same time as the notice of the annual general meeting. (6) Subject to this section, the first auditors of a company may be appointed by the directors at any time before the first annual general meeting, and the auditors so appointed shall hold office until that annual general meeting.

Exemption from Audit Requirement	468. (1) A company is exempt from the requirements of this Act relating to the audit of accounts in respect of a financial year if— (a) it has not carried on any business since its incorporation; (b) it is exempt from the audit requirement under section 462; (2) A company is not entitled to an exemption under subsection (1) if it was at any time within the financial year in question an insurance company, a bank or any other company as may be prescribed by the Board.

Qualification of auditors	469.(1) A person shall not be qualified for appointment as auditor of a company for the purposes of this Act, unless he is qualified to practice as an accountant under the Institute of Chartered Accountants Act, 1988, but in the case of a public company, the auditor shall be a chartered accountant. (2) None of the following persons shall be qualified for appointment as auditor of a company:– (a) a director, other officer, or servant of the company; (b) a person who is a partner of or in the employment of an officer or servant of the company; (c) a person or firm who or which offers to the company professional advice in a consultancy capacity in respect of secretarial or financial management; (d) a body corporate or firm which is closely connected or has control of another body corporate or firm which provides or has provided consulting services to the company intended to be audited; (e) an accountant who is disqualified from practising his profession by a competent body. (3) A person shall also not qualify for appointment as an auditor of a company if he is, under subsection (5), disqualified for appointment as auditor of any other body corporate which is that company's subsidiary, or holding company or a subsidiary of that company's holding company. (4) Notwithstanding subsections (1), (2) and (3), a firm is qualified for appointment as auditor of a company if, but only if, all the partners are qualified for appointment as auditors.

	(5) No person shall act as auditor of a company at a time when he knows that he is disqualified for appointment to that office and if an auditor of a company to his knowledge becomes so disqualified during his term of office, he shall vacate his office and give notice in writing to the company that he has vacated it by reason of that disqualification. (6) A person who acts as auditor in contravention of subsection (5), or fails without reasonable excuse to give notice of vacating his office as required by that subsection, shall be guilty of an offence and be liable to a fine and, for continued contravention, to a daily default fine.

Auditors' report	470.(1) The auditors of a company shall make a report to the members on the accounts examined by them and on every balance sheet and profit and loss account, and on all group financial statements copies of which are to be laid before the company in a general meeting during the auditors' tenure of office. (2) In addition to the report made under subsection (1), the auditor shall, in the case of a public company, also make a report to an audit committee which shall be established by the public company. (3) The audit committee referred to in subsection (2) shall consist of an equal number of directors and representatives of the shareholders of the company (subject to a maximum number of six members) and shall examine the auditors' report and make recommendations thereon to the annual general meeting as it may think fit; but a member of the audit committee shall not be entitled to remuneration and shall be subject to re-election annually. (4) Any member may nominate a shareholder as a member of the audit committee by giving notice in writing of the nomination to the secretary of the company at least 21 days before the annual general meeting. (5) Subject to such other additional functions and powers that the company's articles of association may stipulate, the objectives and functions of the audit committee shall be to– (a) ascertain whether the accounting and reporting policies of the company are in accordance with legal requirements and agreed ethical practices; (b) review the scope and planning of audit requirements; (c) review the findings on management matters in conjunction with the auditor and departmental responses to the findings;

	(d) keep under review the effectiveness of the company's system of accounting and internal control; (e) make recommendations to the board of directors in regard to the appointment, removal and remuneration of the auditors of the company; and (f) authorise the internal auditor to carry out investigations into any activities of the company which may be of interest or concern to the committee.

Auditors Duties and Powers	471.(1) It shall be the duty of the company's auditors, in preparing their report, to carry out such investigations as may enable them to form an opinion as to the following matters:– (a) whether proper accounting records have been kept by the company and proper returns adequate for their audit have been received from branches not visited by them; and (b) whether the company's balance sheet and (if not consolidated) its profit and loss account are in agreement with the accounting records and returns. (2) If the auditors are of the opinion that proper accounting records have not been received from branches not visited by them, or if the balance sheet and (if not consolidated) the profit and loss account are not in agreement with the accounting records and returns, the auditors shall state that fact in their report. (3) Every auditor of a company shall have a right of access at all times to the company's books, accounts and vouchers, and be entitled to require from the company's office such information and explanations as he thinks necessary for the performance of the auditor's duties. (4) If the requirements of Part IV of the Second Schedule are not complied with in the accounts, it shall be the auditors' duty to include in their report, so far as they are reasonably able to do so, a statement giving the required particulars. (5) It shall be the auditors' duty to consider whether the information given in the directors' report for the year for which the accounts are prepared is consistent with those accounts; and if they are of the opinion that it is not, they shall state that fact in their report.

Removal of Auditors	472.(1) A company may, at a general meeting of which notice has been served on the auditor by ordinary resolution, remove an auditor before the expiration of his term of office, notwithstanding anything in any agreement between the company and the auditor. (2) Where a resolution removing an auditor is passed at a general meeting of a company, the company shall, within 14 days give notice in writing of the fact to the Board and if a company fails to give the notice required by this subsection, the company and every officer who is in default shall be guilty of an offence and be liable to a daily default fine. (3) Nothing in this section shall be taken as depriving a person removed under it of compensation or damages payable to him in respect of the termination of his appointment as auditor or of any appointment terminating with that as auditor.
Auditors' right to attend company meetings	473.(1) A company's auditors shall be entitled to attend any general meeting of the company and to receive all notices of and other communications relating to any general meeting which a member of the company is entitled to receive and to be heard at any general meeting which they attend on any part of the business of the meeting which concerns them as auditors. (2) An auditor of a company who has been removed shall. be entitled to attend– (a) the general meeting at which his term of office would otherwise have expired; and (b) any general meeting at which it is proposed to fill the vacancy caused by his removal, and to receive all notices of, and other communications relating to, such meeting which any member of the company is entitled to receive, and to be heard at any such meeting which he attends

	on any part of the business of the meeting which concerns him as a former auditor of the company.

Resignation of Auditors	474.(1) An auditor of a company may resign his office by depositing a notice in writing to that effect at the company's registered office; and the notice shall operate to bring his term of office to an end on the date on which the notice is served, or on such later date as may be specified in the notice. (2) An auditor's notice of resignation shall not be effective unless it contains either– (a) a statement to the effect that there are no circumstances connected with his resignation, which he considers should be brought to the notice of the members, or creditors of the company; or (b) a statement of such circumstances as are mentioned in paragraph (a) (3) Where a notice under this section is served at a company's registered office, the company shall, within 14 days, send a copy of the notice - (a) to the Board; and (b) if the notice contains a statement under paragraph (b) of subsection (2), to every person who, under section 401, is entitled to be sent copies of the financial statements (4) The company or any person claiming to be aggrieved may, within 14 days of the receipt by the company of a notice containing a statement under paragraph (b) of subsection (2), apply to the court for an order under subsection (5). (5) If, on such an application the court is satisfied that the auditor is using the notice to secure needless publicity for a defamatory matter, it may, by order, direct that copies of the notice need not be sent out; and the court may further order the company's costs on the application to be paid in whole or in part by the auditor, notwithstanding that he is not a party to the application.

	(6) The company shall, within 14 days of the court's decision, send to the persons mentioned in subsection (3)– (a) if the court makes an order under subsection (5), a statement setting out the effect of the order; (b) if not, a copy of the notice containing the statement under paragraph (b) of subsection (2). (7) If default is made in complying with the provisions of subsection (3) or (6), the company and every officer of it who is in default shall be guilty of an offence and be liable to a daily default fine.

Liability of auditors for negligence and fraud	475.(1) A company's auditor shall, in the performance of his duties, exercise all such care, diligence and skill as is reasonably necessary in each particular circumstance. (2) Where a company suffers loss or damage as a result of the failure of its auditor to discharge the duty imposed on him by subsection (1), the auditor shall be liable for negligence and the directors may institute an action for negligence against him. (3) If the directors fail to institute an action against the auditor under subsection (2), any member may do so under section 401 after the expiration of 30 days' notice to the company of his intention to institute such action. (4) Where the company suffers loss as a result of fraud by an auditor, the auditor commits an offence and shall be liable on conviction to a fine.
False statements to auditors	476.(1) An officer of a company is guilty of an offence if he knowingly or recklessly makes to a company's auditors a statement (whether written or oral) which– (a) conveys or purports to convey any information or explanation which the auditors require, or are entitled to require, as auditors of the company; and (b) is misleading, false, or deceptive in a material particular. (2) A person guilty of an offence under this section shall be liable on conviction to a fine.

LLP Maintenance of books of accounts, other records and audit, Etc	477.(1) The limited liability partnership shall maintain such proper books of account as may be prescribed relating to its affairs for each year of its existence on a cash basis or an accrual basis and according to the double entry system of accounting and shall maintain the same at its registered office for such period as may be prescribed. (2) Every limited liability partnership shall, within six months from the end of each financial year, prepare a statement of account and solvency for the financial year as at the last day of the financial year in such form as may be prescribed, and the statement shall be signed by the designated partners of the limited liability partnership. (3) A limited liability partnership shall file within the prescribed time, the Statement of Account and Solvency prepared under subsection (2) with the Board every year in the form and manner and accompanied by the fees as may be prescribed. (4) The accounts of limited liability partnerships shall be audited in accordance with such rules as may be prescribed and the Minister may, by regulation, exempt any class or classes of limited liability partnerships from the requirements of this subsection. (5) Where default is made in complying with the provisions of this section, the limited liability partnership and each designated partner of the limited liability partnership shall each be liable to a penalty in such amount as the Board shall specify in its regulations.
	PART XVI – ANNUAL RETURNS

Annual returns of companies having share capital.	478.(1) Subject to this section, every company having a share capital other than a small company shall at least once in every year, make a return containing the following information:– (a) the names, addresses and occupations of all past and present members and the number of shares held by them and the shares transferred since the last return; (b) the address of the registered office, and if the register of members is kept elsewhere than at the registered office of the company, the address of the place where it is kept; (c) a summary distinguishing between shares issued for cash and shares issued as fully or partly paid up otherwise than in cash, specifying the following particulars:– (i) the amount of share capital and the number of shares into which it is divided; (ii) the number of shares taken from the incorporation of the company up to the date of the return; (iii) the amount called up on each share and the total amount of calls received and unpaid; (iv) the total amount of money, if any, paid by way of Board in respect of any shares or debentures; (v) particulars of any discount allowed on the issue of any shares issued at a discount or so much of the discount as has not been written off at the date on which the return is made; (vi) the amount of shares forfeited; (vii) the amount of shares for which share warrants are outstanding at the date of the return and of the share warrants issued and surrendered respectively since the date of the last return and the number of shares comprised in each warrant; (viii) particulars of directors; and

	(ix) the amount of indebtedness in respect of all mortgages and charges which are required to be registered under this Act. The return shall be in the form set out in the Fourth Schedule. (3) In the case of a company still keeping a branch register, the particulars of the entry in that register shall, so far as they relate to matters that are required to be stated in the return, be included in the return made next after copies of those entries are received at the registered office of the company.

Annual returns of company not having share capital	479.(1) Every company not having a share capital shall, at least once in every year, make a return stating- (a) the address of the registered office; and (b) the particulars of directors. (2) There shall be annexed to the return a statement containing particulars of the amount of indebtedness of the company in respect of all mortgages and charges which are required to be registered with the Board under this Act. The return shall be in the form set out in the Fourth Schedule.
Annual returns of small company	480.(1) Every small company shall, at least once every year, make a return stating– (a) the name and address of the registered office of the company; (b) if the register of members is, under this Act, kept elsewhere than at the registered office of the company, the address of the place where it is kept; (c) if any register of debenture holders of the company or part of such register is, under this Act, kept elsewhere than at the registered office of the company, the address of the place where it is kept; (d) the share capital of the company; (e) the issued capital; (f) particulars of the total amount of indebtedness of the company in respect of all mortgages and charges which are required to be registered with the Board under this Act; (g) particulars of the directors and secretary. (2) The return shall be in the form set out in the Sixth Schedule.

Unified Annual Return and Renewal	481.(1) The Board shall operate a Unified Annual Return and Renewal System (the "Unified System") to streamline all annual compliance obligations for companies. (2) The Unified System shall integrate into a single digital process: (a) the filing of the annual return; (b) the renewal of the company's registration status; (c) the verification or updating of Beneficial Ownership information; (d) the confirmation of the registered office, directors, and secretary; and (e) the payment of a single, consolidated annual renewal fee. (3) The Board shall provide a consolidated electronic form that pre-populates existing data to minimise the administrative burden on the company.
Single Renewal Payment and "Active" Status	482.(1) A company shall, upon filing through the Unified System, pay a single annual renewal fee as prescribed by the Board. (2) Successful completion of the filing and payment shall: (a) renew the company’s registration for the ensuing twelve-month period; and (b) update the company’s status in the public register as “Active and Compliant.” (3) Where a company fails to complete this process within 42 days of its incorporation anniversary, its status shall automatically be updated to “Non-Compliant,” which shall be visible to the public and financial institutions.

General provisions on annual returns	483. (1) Every annual return made under this Part shall – (a) be contained in a separate part of the register; and. (b) be completed within 28 days after the first or only general meeting in the year, and the company shall forward to the Board a copy signed by a director or secretary of the company. (2) Section 171 shall apply with such modifications as may be necessary to the inspection of the annual returns. (3) Except where the company is a private company, the annual returns shall include– (a) a copy certified by a director or secretary to be a balance sheet audited by the company's auditors, including every document required by law to be annexed to it; and (b)a copy of the report of the auditors on the balance sheet and if such balance sheet is in a language other than English, there shall also be annexed to it a translation in the English language, certified in the prescribed manner to be a correct translation. (4)If the last balance sheet did not comply with the requirements of the law as in force at the date of the audit with respect to the form of balance sheets there shall be made such additions to and corrections in the copy as would have been required to be made in the balance sheet in order to make it comply with the requirements, and the fact that the copy has been so amended shall be stated in the copy. (5) If a company fails to comply with this section or either section 484 or 485, the company and every officer of the company who is in default shall be liable to a daily default fine.

Certificates to be sent by private companies with annual returns.	484.A private company shall file with Board the annual returns required under Part XIII a certificate signed by a director or secretary of the company that the company has not, since the last return or in the case of a first return, since the date of the incorporation of the company, issued, any invitation to the public to subscribe for any shares or debentures of the company; and where the annual return discloses the fact that the number of members of the company exceeds 50 also a certificate so signed that the excess consist wholly of persons who, under this Act, are not to be included in reckoning the number of 50.
Single renewal payment and consolidated compliance status	485.(1)A company shall, upon filing its annual return under the unified system, pay a single annual renewal fee as prescribed. (2)The payment of the annual renewal fee shall— (a) renew the company's active registration status for the ensuing year; and (b) update the company's compliance record maintained by the Board. (3)Upon successful filing and payment, the Board shall designate the company's status as "active and compliant" for the relevant year. (4) Where a company fails to file or pay within the prescribed period, its status shall be recorded as "non-compliant," without prejudice to any penalty or enforcement action.

Simplified annual confirmation statement for MMEs	486.(1)A company qualifying as a small company under this Act may, in lieu of a full annual return, file a simplified annual confirmation statement. (2)The confirmation statement shall— (a) confirm that the information held by the Board is accurate and up to date; or (b) specify any changes required to be recorded. (3)The simplified confirmation statement shall be in the prescribed form and may be pre-populated by the Board using existing records. (4)A company filing a confirmation statement under this section remains subject to all other reporting and disclosure obligations under this Act.
Automated Compliance reminders	487.(1)The Board shall issue automated electronic reminders, including via email or SMS, to the company and its directors 30 days and 14 days prior to the filing deadline. (2) Failure by the Board to issue a reminder shall not relieve a company of its statutory obligations.
Deemed filing acknowledgement	488.(1)A document submitted through the Board's electronic system shall be deemed filed when— (a) it is successfully transmitted to the Board's system; and (b) an electronic acknowledgement of receipt is generated. (2)The electronic acknowledgement shall constitute prima facie evidence of filing. (3) Where a system outage or technical failure prevents timely filing, the Board may, upon application and proof, treat the filing as made on the date the attempt was first made.

Public compliance status	489.(1)The Board shall maintain a publicly accessible compliance status for every company. (2)The compliance status shall indicate whether the company is— (a) active and compliant; (b) in default; (c) subject to compliance notice; (d) in strike-off proceedings; or (e) dissolved or struck off. (3) The compliance status published by the Board shall not constitute a representation as to the financial soundness of the company.
Certificate of good standing	490.(1)Upon application and payment of the prescribed fee, the Board shall issue a Certificate of Good Standing. (2(A Certificate of Good Standing shall certify that, as at the date of issue— (a) the company is duly incorporated; (b) it has filed required annual returns or confirmation statements; (c) it is not subject to strike-off or winding-up proceedings so far as appears from the records of the Board. (3) A certificate issued under this section shall be prima facie evidence of the matters stated therein.

Administrative penalties for non-compliance	491.(1)Where a company fails to file an annual return or confirmation statement within the prescribed period, it shall be liable to an administrative late filing penalty. (2)The penalty shall— (a) accrue on a graduated basis according to the duration of default; and (b) be payable in addition to the annual renewal fee. (3)Every director and officer in default commits an offence and is liable to an administrative penalty where the failure is attributable to neglect or wilful default. (4)The Board may publish the names of companies in persistent default. (5)Penalty amounts may be reviewed periodically and adjusted by statutory instruments to reflect economic conditions and ensure effective deterrence. (6) Imposition of an administrative penalty under this section shall not preclude the Board from— (a) issuing a compliance notice; (b) initiating strike-off proceedings; or (c) referring the matter for prosecution where appropriate.
Annual Return of Limited Liability Partnership	492.(1) A limited liability partnership shall file an annual return with the Board within 60 days of closure of its financial year in the form and manner and accompanied by such fee as may be prescribed. (2) Where default is made in complying with the provisions of this section, the limited liability partnership and each designated partner of the limited liability partnership shall each be liable to a penalty in such amount as the Board shall specify in its regulations.

Annual Return of proprietors and firms carrying on business under a registered business name	493.Every proprietor or firm required by section 97 to be registered shall not later than the 30th day of June in each year, except the calendar year in which the business name is registered, deliver to the Board an annual return in form and manner and accompanied by such fee as may be prescribed. (2) Where default is made in complying with the provisions of this section, the proprietor or firm including each member shall be liable to a penalty in such amount as the Board shall specify in its regulations.
	PART XVII – DIVIDENDS, PROFITS, AND CAPITAL MAINTENANCE

Declaration and payment of dividends	494.(1)A company may, in a general meeting, declare dividends in respect of any year or other period, only on the recommendation of the directors. (2)The company may, from time to time, pay to the members such interim dividends as appear to the directors to be justified by the profits of the company. (3)The general meeting shall have the power to decrease the amount of dividend recommended by the directors but shall have no power to increase the recommended amount. (4)Where the recommendation of the directors of a company with respect to the declaration of a dividend is varied in accordance with subsection (3) by the company in a general meeting, a statement to that effect shall be included in the relevant annual returns. (5)Subject to this Act, dividends shall be payable to the shareholders only out of the distributable profits of the company. (6)Subject to the rights of persons entitled to shares with special rights to dividends, all dividends shall be declared and paid according to the amounts paid on the shares; but where nothing is paid up on any of the shares in the company, dividends may be declared and paid according to the amounts of the shares. (7)No amount paid on a share in advance of calls shall, while carrying interest, be treated as paid on the share.

Distributable profits and restrictions	495.Subject to the company being able to pay its debts as they fall due, the company may pay dividends out of the following profits:– (a) profits arising from the use of the company's property, although it is a wasting asset; (b) revenue reserves; (c) realised profit on a fixed asset sold, but where more than one asset is sold, the net realised profit is calculated on the assets sold.
Unclaimed dividends	496.(1) Where dividends are returned to the company unclaimed, the company shall send a list of the names of the persons entitled with the notice of the next annual general meeting to the members. (2) After the expiration of 3 months of the notice mentioned in subsection (1), the company may invest the unclaimed dividend for its own benefit in an investment outside the company, and no interest shall accrue on the dividends against the company. 3) Where dividends have been sent to members, and there is an omission to send to some other members due to the fault of the company, the dividends shall earn interest at the current bank rate from three months after the date on which they ought to have been posted. (4) For the purpose of liability, the date of posting the dividend warrant shall be deemed to be the date of payment, and proof of whether it has been sent is a question of fact.

Reserves and capitalisation	497.(1) The directors may, before recommending any dividend, set aside out of the profits of the company, such sums as they think proper as a reserve or reserves which shall, at their discretion, be applicable for any purpose to which the profits of the company may be properly applied, and pending such application may, also at their discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the directors may from time to time think fit; and the directors may also, without placing them to reserve, carry forward any profits which they may think prudent not to distribute. (2) The company, in a general meeting, may, upon the recommendation of the directors, resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution. (3) Such a sum may be set free for distribution among the members who would have been entitled to dividends in the same proportions on condition that the dividends be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively, or paying up in full unissued shares or debentures of the company to be allotted and distributed to creditors as fully paid up. (4) The company may decide by a resolution what part is to be distributed in cash or in shares, and the directors shall give effect to such resolution. (5) Share premium account and a capital redemption reserve

	fund may, for the purposes of this subsection, only be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares. (6) Where a resolution under subsections (2) and (4) is passed, the directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid up shares or debentures, if any, and generally do all acts and things required to give effect to it. (7) The directors shall have the power to make such provision by the issue of fractional certificates or by payment in cash or otherwise, as they think fit, in the case of shares or debentures becoming distributable in fractions. (8) Any person may be authorised by the directors to enter on behalf of all the members entitled under this section into an agreement with the company- (a) to provide for the allotment to each of the members respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation; or (b) for the payment by the company on their behalf of the amounts or any part of the amounts remaining unpaid on their existing shares; and any agreement made under such authority shall be effective and binding on all the members.

Employee share schemes and profit sharing	498.If under his contract of service, an employee is entitled to a share in the profits of the company as an incentive, he shall be entitled to share in the profits of the company, whether or not dividends have been declared.
Shareholder remedies	499.Dividends shall be specialty debts due to, and recoverable by shareholders within 12 years, and actionable only when declared.
Liability for paying dividends out of capital	500.All directors who knowingly pay or are party to the payment of dividends out of capital or otherwise in contravention of this Part shall be personally liable jointly and severally to refund to the company any amount so paid. (2) The directors shall have the right to recover the dividend from shareholders who receive it with knowledge that the company had no power to pay it.
Distributions subject to solvency safeguards	501.A company shall not declare or pay dividends if there are reasonable grounds for believing that the company is or would be, after the payment, unable to pay its liabilities as they become due.
	PART XVIII – RECEIVERS AND MANAGERS
	Appointment of receivers and managers

Disqualification for appointment as receiver or manager	502.(1) The following persons shall not be appointed or act as receivers or managers of any property or undertaking of any company:- (a) any person who is under the age of 18 years; (b) any person found by a court to be of unsound mind; (c) a body corporate; (d) an undischarged bankrupt, unless he shall have been given leave to act as a receiver or manager of the property or undertaking of the company by the court by which he was adjudged bankrupt; (e) a director or auditor of the company; (f) any person convicted of any offence involving fraud, corruption or moral turpitude and who is disqualified as a result of a conviction for any offence in connection with the promotion or formation of a company. (2) Any appointment made in contravention of subsection (1) shall be void and if any of the persons named in paragraphs (c), (d), (e) and (f) of that subsection acts as a receiver or manager, he shall be guilty of offence and be liable to a fine in the case of a body corporate or, in the case of an individual to imprisonment for a term not exceeding 6 months or to a fine. (3) Where any of the persons mentioned in subsection (1) is, at the commencement of this Act acting as a receiver or manager he may be removed by the court on an application by a person interested.
Official receiver for debenture holders and others.	503.Where an application is made to the court to appoint a receiver on behalf of the debenture holders or other creditors of a company which is being wound up by the court, the official receiver may be appointed.

Appointment of receivers and managers by court.	504.(1) Notwithstanding any other provision of this Act the court may, on the application of a person interested, appoint a receiver or a receiver and manager of the property or undertaking of a company if- (a) the principal money borrowed by the company or the interest is in arrears; or (b) the security or property of the company is in jeopardy. (2) A receiver or manager of any property or undertaking of a company appointed by the court shall be deemed to be an officer of the court and not of the company and shall act in accordance with the directions and instructions of the court.
Receivers and managers appointed out of court.	505.(1) A receiver or manager of any property or undertaking of a company appointed out of court under a power contained in any instrument shall, subject to section 493, be deemed to be an agent of the person or persons on whose behalf he is appointed and, if appointed manager of the whole or any part of the undertaking of a company he shall be deemed to stand in a fiduciary relationship to the company and observe the utmost good faith towards it in any transaction with it or on its behalf. (2) A manager referred to in subsection (1), shall– (a) act at all times in what he believes to be the best interests of the company as a whole so as to preserve its assets, further its business, and promote the purposes for which it was formed, and in such manner as a faithful, diligent, careful and ordinarily skilful manager would act in the circumstance; (b) in considering whether a particular transaction or course of action is in the best interest of the company as a whole, may have regard to the interests of the employees, as well as the members of the company, and when appointed by, or as a representative of, a special class of members or creditors may give special, but not exclusive, consideration to their interest.

	(3) Nothing in the articles of a company, in any contract, or in any resolution of a company shall relieve any manager from the duty to act in accordance with subsection (2) or relieve him from any liability incurred as a result of any breach of such duty.
Receiver or manager appointed out of court to apply to court for directions.	506.A receiver or manager of the property of a company appointed in accordance with subsection (1) of section 492, may apply to the court for direction in relation to any particular matter arising in connection with the performance of his functions, and on such application, the court may give such directions or make such order declaring the rights of persons before the court or otherwise, as it thinks just.

Registration of appointment order etc.	507.(1) If any person obtains an order for the appointment of a receiver or manager of the property of a company or appoints a receiver under any powers contained in any instrument, he shall, within 7 days from the date of the order or appointment, give notice of the fact to the Board indicating the terms of the appointment and remuneration and the Board shall, on payment of such fee as it may prescribe, enter the fact in the register of charges. (2) Every invoice, order for goods or business letter issued by or on behalf of the company or the receiver or manager or liquidator of a company, being a document on or in which the company's name appears, shall contain a statement that a receiver or manager has been appointed. (3) Where any person appointed a receiver or manager of the property of a company under the powers contained in any instrument ceases to act as a receiver or manager, he shall, on so ceasing, give the Board notice to that effect and the Board shall enter the notice in the register of charges.

Duties, powers, etc, of receivers and managers	508.(1) A person appointed a receiver of any property of a company shall, subject to the rights of prior incumbrancers, take possession of and protect the property, receive the rents and profits and discharge all out- goings in respect thereof and realise the security for the benefit of those on whose behalf he is appointed, but unless appointed manager he shall not have power to carry on any business or undertaking. (2) A person appointed manager of the whole or any part of the undertaking of a company shall manage it with a view to the beneficial realisation of the security of those on whose behalf he is appointed. (3) As from the date of appointment of a receiver or manager, the powers of the directors or liquidators in a members' voluntary winding up to deal with the property or undertaking over which he is appointed shall cease unless and until the receiver or manager is discharged. (4) If, on the appointment of a receiver or manager, the company is being wound up under the provision relating to creditor's voluntary winding up, or the property concerned is in the hands of some other officer of the court, the liquidator or officer shall not be bound to relinquish control of such property to the receiver or manager except under the order of the court.

Liabilities of receivers managers on contracts	509.(1) A receiver or manager of any property or undertaking of a company shall be personally liable on any contract entered into by him except in so far as the contract otherwise expressly provides. (2) As regards contracts entered into by a receiver or manager in the proper performance of his functions, such receiver or manager shall, subject to the rights of any prior incumbrancers, be entitled to an indemnity in respect of liability thereon out of the property over which he has been appointed to act as receiver or manager. (3) A receiver or manager appointed out of court under a power contained in any instrument shall also be entitled, as regards contracts entered into by him with the express or implied authority of those appointing him, to an indemnity in respect of liability thereon from those appointing him to the extent to which he is unable to recover in accordance with subsection (2).
	Procedure after appointment

Notice of appointment.	510.(1) Where a receiver or manager of the whole or substantially the whole of the property of a company (hereafter in this section and in section 493, referred to as "the receiver") has been appointed on behalf of the holders of any debentures of the company secured by a floating charge, then subject to the provisions of this section and of section 499– (a) the receiver shall forthwith send notice to the company of his appointment and the terms; and (b) there shall, within 14 days after receipt of the notice or such longer period as may be allowed by the court or by the receiver, be made out and submitted to the receiver in accordance with section 499, a statement in the prescribed form as to the affairs of the company; and (c) the receiver shall, within 2 months after receipt of the statement send– (i) to the Board or to the court a copy of the statement and of any comments he sees fit to make thereon and in the case of the Board also a summary of the statement and of his comments if any on it; (ii) to the company a copy of such comments or if he does not see fit to make any comment, a notice to that effect; and (iii) to any trustees for the debenture holder on whose behalf he has been appointed and, so far as he is aware of their addresses, to all such debenture holders a copy of the summary. (2) The receiver shall, within 2 months, or such longer period as the court may allow after the expiration of the period of 12 months from the date of his appointment and of every subsequent period of 12 months, and within 2 months or such longer period as the court may allow after he ceases to act as receiver or manager of the property of the debenture holder of the company, send to-

	(a) the Board, (b) any trustees for the debenture holders of the company on whose behalf he was appointed; (c) the company; and (d) so far as he is aware of their addresses to all such debenture holders, an abstract in the prescribed form showing his receipts and payments during that period of 12 months, or, where he ceases to act as a receiver during the period from the end of the period to which the last preceding abstract relate up to the date of his so ceasing, and the aggregate amounts of his receipts and of his payments during all preceding periods since his appointment. (3) Where the receiver is appointed under the powers contained in any instrument, this section shall have effect- (a) with the omission of the references to the court in subsection (1); and (b) with the substitution for the references to the court in subsection (2) of references to the Board; and in any other case references to the court shall be taken as referring to the court by which the receiver was appointed. (4) Subsection (1) shall not apply in relation to the appointment of a receiver or manager to act with an existing receiver or manager or in place of a receiver or manager dying or ceasing to act, but that where subsection (1) applies to a receiver or manager who dies or ceases to act before it has been fully complied with, the references in paragraphs (b) and (c) of that subsection to the receiver shall, subject to subsection (5), include references to his successors and to any continuing receiver or manager.

	(5) Nothing in subsection (4) shall be taken as limiting the meaning of the expression “the receiver” where used in, or in relation to, subsection (2). (6) This section and section 503, where the company is being wound up, shall apply notwithstanding that the receiver or manager and the liquidator are the same person. (7) Nothing in subsection (2) shall prejudice the duty of the receiver to render proper accounts of his receipts and payments to the person to whom, and at the time at which he may be required to do so apart from that subsection. (8) If the receiver defaults in complying with the requirements of this section, he shall be guilty of an offence and be liable to a fine for each day during which the default continues.

Special provisions as to statements submitted to the receiver.	511.(1) The statements as to the affairs of a company required by this section, to be submitted to the receiver (or his successor) shall show as at the date of the receiver's appointment, the particulars of the company's assets, debts and liabilities, the names, residences and occupations of its creditors, the securities held by them respectively, the dates when the securities were respectively given and such further or other information as may be prescribed. (2) The statement shall be submitted by, and be verified by affidavit of one or more of the persons who are at the date of the receiver's appointment, the directors and by the person who is at that date the secretary of the company, or by such of the persons in this subsection mentioned as the receiver (or his successors), subject to the direction of the court, may require to submit and verify the statement, that is to say, persons- (a) who are or have been officers of the company; (b) who have taken part in the formation of the company at any time within one year before the date of the receiver's appointment; (c) who are in the employment of the company, or have been in the employment of the company within the year, and are in the opinion of the receiver capable of giving the information required; (d) who are or have been within the year officers of or in the employment of a company which is, or within the year was, an officer of the company to which the statement relates. (3) Any person making the statement and affidavit shall be allowed, and shall be paid by the receiver (or his successor) out of his receipts, such costs and expenses incurred in and about the preparation and making of the statement and affidavit as the receiver (or his successor) may consider reasonable, subject to an appeal to the court.

	(4) Where the receiver is appointed under the powers contained in any instrument, this section shall have effect with the substitution for references to the court of references to the Board and references to an affidavit, of references to a statutory declaration; and in any other case references to the court shall be taken as referring to the court by which the receiver was appointed. (5) If any person without reasonable excuse defaults in complying with the requirements of this section, he shall be guilty of an offence and be liable to a fine of Le.500 for each day during which the default continues. (6) Reference in this section to the receiver's successor shall include a continuing receiver or manager.

	Accounts by receivers or managers
Delivery to Board of accounts of receivers and managers	512.(1) Except where this Act applies, every receiver or manager of the property of a company who has been appointed under the powers contained in any instrument shall, within one month or such longer periods as the Board may allow, after the expiration of the period of 6 months from the date of his appointment, and of every subsequent period of 6 months, and within one month after he ceases to act as receiver or manager, deliver to the Board for registration an abstract in the prescribed form showing his receipts and his payments during that period of 6 months, or where he ceases to act as aforesaid, during the period from the end of the period to which the last preceding abstract relate up to the date of his ceasing, and the aggregate amount of his receipts and of his payments during all preceding periods since his appointment (2) Every receiver or manager who defaults in complying with this section shall be guilty of an offence and be liable to a fine for each day during which the default continues.
	Duty as to returns

Enforcement of duty of receivers, \managers to make returns, etc.	513.(1) If any receiver or manager of the property of a company having– (a) defaulted in filing, delivering or making any returns, account or other document, or in giving any notice, which a receiver or manager is by law required to file, delivers, makes, gives or fails to make good the default within 14 days after the service on him of a notice requiring him to do so; or (b) been appointed under the powers contained in any instrument has, after being required at any time by the liquidator of the company to do so fails to render proper accounts of his receipts and payment and to vouch them and to pay over to the liquidator the amount properly payable to him, the Court may, on an application made for the purpose, make an order directing the receiver or manager, as the case may be, to make good the default within such time as may be specified in the order, (2) In the case of any default as is mentioned in paragraph (a) of subsection (1), an application for the purposes of this section may be made by any member or by the Board, and in the case of such default as is mentioned in paragraph (b) of that subsection, the application shall be made by the liquidator, and in either case the order may provide that all costs shall be borne by the receiver or manager, as the case may be. (3) Nothing in this section shall be taken to prejudice the operation of any enactment imposing penalties on receivers in respect of such default as is mentioned in subsection (1).
	Construction of references

Construction of references to receivers and managers.	514.Unless the context otherwise requires, any reference in this Act– (a) to a receiver or manager of the property of a company, or to a receiver thereof, includes a reference to a receiver or manager or as the case may be to a receiver of part only of that property and to a receiver only of the income arising from that property or from part thereof; and (b) to the appointment of a receiver or manager under the powers contained in any instrument includes reference to an appointment made under powers which, by virtue of any enactment, are implied in and have effect as contained in the instrument.
	PART XIX – WINDING UP
	Modes of winding up
Modes of winding up company	515.(1) The winding up of a company may be either- (a) by the court; (b) voluntary; or (c) subject to the supervision of the court. (2) This Act with respect to winding up applies, unless the contrary appears, to the winding up of a company in any of those modes.
	Liability of members

Liability as contributories of present and past members.	516.(1) In the event of a company being wound up, every present and past member shall be liable to contribute to the assets of the company to an amount sufficient for payment of its debts and liabilities, and the costs, charges and expenses of the winding up, and for the adjustment of the rights of the contributories among themselves, subject to subsection (2) and the following qualifications: – i. a past member shall not be liable to contribute; if he has ceased to be a member for one year or upwards before the commencement of the winding up; (ii) in respect of any debt or liability of the company contracted after he ceased to be a member; unless it appears to the court that the existing members are unable to satisfy the contributions required to be made by them in pursuance of this Act; ii. in the case of a company limited by shares, no contribution shall be required from any member exceeding the amount, if any, unpaid on the shares in respect of which he is liable as a present or past member; iii. in the case of a company limited by guarantee, no contribution shall, subject to subsection (3), be required from any member exceeding the amount undertaken to be contributed by him to the assets of the company in the event of its being wound up; iv. nothing in this Act shall invalidate any provision contained in any policy of insurance or other contract whereby the liability of individual members on the policy or contract is restricted, or whereby the funds of the company are alone made liable in respect of the policy or contract; (e) a sum due to any member of a company, in his capacity as a member, by way of dividends, profits or otherwise, shall not be deemed to be a debt of the company, payable to that member in a case of competition

	between himself and any other creditor not a member of the company; but such sum may be taken into account for the purpose of the final adjustment of the rights of the contributories among themselves. (2) In the winding up of a limited company, any director or manager, whether past or present, whose liability is, under this Act, unlimited, shall, in addition to his liability (if any) to contribute as an ordinary member, be liable to make a further contribution as if he were, at the commencement of the winding up a member of an unlimited company; but– b. a past director or manager shall not be liable to make such further contribution if he has ceased to hold office for a year or upwards before the commencement of the winding up; c. a past director or manager shall not be liable to make such further contribution in respect of any debt or liability of the company contracted after he ceased to hold office; d. subject to the articles of the company, a director or manager shall not be liable to make such further contribution in order to satisfy the debts and liabilities of the company, and the costs, charges and expenses of the winding up. (3) In the winding up of a company limited by guarantee which has a share capital, every member of the company shall be liable, in addition to the amount undertaken to be contributed by him to the assets of the company in the event of its being wound up, to contribute to the extent of any sums unpaid on any shares held by him.

Definition of contributory.	517.“Contributory” means every person liable to contribute to the assets of a company in the event of its being wound up, and for the purposes of all proceedings for determining, and all proceedings prior to the final determination of, the persons who are to be deemed contributories, includes any person alleged to be a contributory.
Nature of liability of contributory.	518. The liability of a contributory shall create a debt of the nature of a specialty accruing due from him at the time when his liability commenced, but payable at the times when calls are made for enforcing the liability.
Contributories in case of death of a member.	519.(1) If a contributory dies either before or after he has been placed on the list of contributories, his personal representatives shall be liable in due course of administration to contribute to the assets of the company in discharge of his liability and shall be contributories accordingly. (2) If the personal representatives default in paying any money ordered to be paid by them, proceedings may be taken for administering the estate of the deceased contributory, and for compelling payment from the estate of the money due. (3) Where the personal representatives are placed on the list of contributories, the heirs or assigns need not be added; but they may be added as and when the court thinks fit.

Contributories in case of bankruptcy of members.	520.If a contributory becomes bankrupt, either before or after he has been placed on the list of contributories– (a) his trustee in bankruptcy shall represent him for all the purposes of the winding up, and shall be a contributory accordingly; (b) his trustee may be called on to admit to proof against the estate of the bankrupt, or otherwise to allow to be paid out of his assets in due course of law, any money due from the bankrupt in respect of his liability to contribute to the assets of the company; and (c) there may be proved against the estate of the bankrupt the estimated value of his liability to future calls as well as calls already made.
	Winding-up by court-jurisdiction
Jurisdiction to wind up companies incorporated in Sierra Leone.	521.The High Court shall have jurisdiction to wind up any company incorporated or registered in Sierra Leone.
	Cases in which company may be wound up by court
Circumstances in which a company may be wound up	522.A company may be wound up by the court if- in which (a) the company has by special resolution into account the contingent and prospective resolved that the company be wound up by the court; (b) default is made in delivering the statutory company or in holding the statutory meeting; (c)the company does not commence its business for a whole year; (d) subject to section 67, the membership of the company falls below the requirements in section 15;

	(e) the company is unable to pay its debts; (f) the court is of the opinion that it is just equitable that the company should be wound up/
Definition of Inability to Pay Debts	523.A company shall be deemed to be unable to pay its debts— (a) if a creditor, by assignment or otherwise, to whom the company is indebted in a sum exceeding Le 5,000 then due, has served on the company, by leaving it at its registered office, a demand under his hand requiring the company to pay the sum so due, and the company has for 21 days thereafter neglected to pay the sum or to secure or compound for it to the reasonable satisfaction of the creditor; (b) if execution or other process issued on a judgment, decree or order of any court in favour of a creditor of the company is returned unsatisfied in whole or in part; or (c) if it is proved to the satisfaction of the court that the company is unable to pay its debts and in determining whether a company is unable to pay its debts, the court shall take into account the contingent and prospective liabilities of the company.

Provision as to applications for winding up.	524.(1) An application to the court for the winding up of a company shall be by petition, presented subject to the provisions of this section, either by the company or by any creditor or creditors (including any contingent or prospective creditor or creditors), contributory or contributories, or by all or any of those parties, together or separately; but– (a) a contributory shall not be entitled to present a winding up petition unless the shares in respect of which he is a contributory, or some of them, either were originally allotted to him or have been held by him, and registered in his name, for at least 6 months during the 18 months before the commencement of the winding up or have devolved on him through the death of a former holder; (b) a winding-up petition shall not, if the ground of the petition is default in delivering the statutory report to the Board or in holding the statutory meeting, be presented by any person except a shareholder, nor before the expiration of fourteen days after the last day on which the meeting ought to have been held; and (c) the court shall not give a hearing to a winding up petition presented by a contingent or prospective creditor until such security for costs has been given as the court thinks reasonable and until a *prima facie* case for winding up has been established to the satisfaction of the court. (2) Where a company is being wound up voluntarily or subject to supervision, a winding-up petition may be presented by the official receiver attached to the court as well as by any other person authorised in that behalf under the other provisions of this section, but the court shall not make a winding-up order on the petition unless it is satisfied that the voluntary winding up or winding up subject to supervision cannot be continued with due regard to the interests of the creditors or contributories.

Power of Court on hearing petition	525.(1) On hearing a winding-up petition, the court may dismiss it or adjourn the hearing conditionally or unconditionally, or hearing petition. make any interim order or any other order that it may think fit; but the court shall not refuse to make a winding-up order on the grounds only that the assets of the company have been mortgaged to an amount equal to or in excess of those assets, or that the company has no assets. (2) Where the petition is presented on the ground of default in delivering the statutory report to the Board or in holding the statutory meeting, the court may- (a) instead of making a winding-up order, direct that the statutory report shall be delivered or that a meeting shall be held; and (b) order the costs to be paid by any persons who, in the opinion of the court, are responsible for the default. (3) If the petition is presented by members of the company as contributories on the ground that it is just and equitable that the company should be wound up, the court, if it is of the opinion – (a) that the petitioners are entitled to relief either by winding up the company or by some other means; and (b) that in the absence of any other remedy it would be just and equitable that the company should be wound up, shall make a winding-up order, but this does not apply if the court is also of the opinion both that some other remedy is available to the petitioners and that they are acting unreasonably in seeking to have the company wound up instead of pursuing that other remedy.
Power to stay or restrain proceedings against the company.	526.The court may, at any time after the presentation of the petition for winding up a company under this Act and before making an order for winding up the company, upon the application of the company or any creditor or contributory restrain

	further proceedings in any suit or proceedings against the company upon such terms as the court thinks fit.
Avoidance of disposition of property, etc. after commencement of winding up.	527.In a winding up by the court, any disposition of the property of the company, including things-in-action, and any transfer of shares, or alteration in the status of the members of the company, made after the commencement of the winding up, shall, unless the court otherwise orders, be void.
Avoidance of attachment etc	528.When any company is being wound up by the court, any attachment, distress, or execution put in force against the estate or effects of the company after the commencement of the winding up shall be void.
	Commencement of winding up
Commencement of winding up by the court.	529.(1) Where before the presentation of a petition for the winding up of a company by the court a resolution has been passed by the company for voluntary winding up, the winding up of the company shall be deemed to have commenced at the time of the passing of the resolution, and unless the court, on proof of fraud or mistake, thinks fit otherwise to direct, all proceedings taken in the voluntary winding up shall be deemed to have been validly taken. (2) In any other case, the winding-up of a company by the court shall be deemed to commence at the time of the presentation of the petition for the winding up.
Copy in order to be forwarded to the Board.	530.On the making of a winding-up order, a copy of the order shall be forwarded by the company to the Board who shall make a minute therefore in its books, registers or records relating to the company.

Actions to be stayed on winding-up order.	531.When a winding-up order has been made or a provisional liquidator has been appointed, no action or proceeding shall be proceeded with or commenced against the company except by leave of the court, and subject to such terms as the court may impose.
Effect of winding-up order.	532.An order for winding-up a company shall operate in favour of all creditors and of all the contributories of the company as if made on the joint petition of a creditor and of a contributory.
Official receiver to be appointed by the Board.	533.For the purposes of this Act so far as it relates to the winding-up of companies by the court the term “official receiver” means the official receiver appointed for the purpose by the Board.

Statement of company's affairs to the official receiver.	534.(1) Where the court has made a winding-up order or appointed a provisional liquidator, there shall, unless the court thinks fit to order otherwise and so orders, be made out and submitted to the official receiver a statement as to the affairs of the company in the prescribed form, verified by affidavit, and showing the particulars of its assets, debts and liabilities, the names, residence and occupation of its creditors, the securities held by them respectively, the dates when the securities were respectively given and such further or other information as may be prescribed or as the official receiver may require. (2) The statement shall be submitted and verified by one or more of the persons who are at the relevant date the directors and by the person who is at that date the secretary or other senior officer of the company or by such of the persons (hereafter in this subsection referred to as the official receiver), who, subject to the direction of the court, the court may require to submit and verify the statement, that is to say, persons- (a) who are or have been directors or officers of the company; (b) who have taken part in the formation of the company at any time within one year before the relevant date; (c) who are in the employment of the company, or have been in the employment of the company within the year, and are in the opinion of the official receiver capable of giving the information required; (d) who are or have been within the year officers of or in the employment of a company, which is, or within the year was, an officer of the company to which the statement relates. (3) The statement shall be submitted within fourteen days from the relevant date, or within such extended time as the official receiver or the court may for special reasons appoint. (4) Any person making or concurring in making the statement and affidavit required by this section shall be allowed, and shall be

	paid by the official receiver or provisional liquidator, as the case may be, out of the assets of the company, such costs and expenses incurred in and about the preparation and making of the statement and affidavit as the official receiver may consider reasonable, subject to an appeal to the court. (5) If any person, without reasonable excuse, defaults in complying with the requirements of this section, he shall be guilty of an offence and be liable to a fine for each day during which the default continues. (6) Any person stating himself in writing to be a creditor or contributory of the company shall be entitled by himself or by his agent at all reasonable times, on payment of the prescribed fee, to inspect the statement submitted in pursuance of this section, and to a copy thereof or extract from it. (7) Any person untruthfully stating himself to be a creditor or contributory shall be guilty of an offence and be liable on conviction to a fine. (8) In this section the expression “the relevant date” means in a case where a provisional liquidator is appointed, the date of his appointment, and, in a case where no appointment is made, the date of the winding up order.

Report by official receiver.	535.(1) In a case where a winding up order is made, the official receiver shall, as soon as practicable after receipt of the statement to be submitted under section 362, or, in a case where the court orders that no statement shall be submitted, as soon as practicable after the date of the order, submit a preliminary report to the court– (a) as to the amount of capital issued, subscribed and paid up, and the estimated amount of assets and liabilities; (b) if the company has failed, as to the causes of the failure; and (c) whether in his opinion further enquiry is desirable as to any matter relating to the promotion, formation, or failure of the company or the conduct of the business thereof. (2) The official receiver may also, if he thinks fit, make a further report, or further reports, stating the manner in which the company was formed and whether in his opinion any fraud has been committed by any person in its promotion or formation, or by any officer of the company in relation to the company since the formation thereof, and any other matters which in his opinion it is desirable to bring to the notice of the court. (3) If the official receiver states in any such further report that in his opinion a fraud has been committed, the court shall have the further powers provided in section 393 and 394.
	Liquidators
Power of court to appoint liquidators.	536.For the purpose of conducting the proceedings in winding up a company and performing such duties in reference thereto as the court may impose, the court may appoint a liquidator or liquidators.

Appointment and powers of provisional liquidators.	537.(1) Subject to this section, the court may appoint a liquidator provisionally at any time after the presentation of a winding up petition and before the making of a winding up order, and either the Board or any other fit person may be appointed. (2) Where a liquidator is provisionally appointed by the court, the court may limit and restrict his powers by the order appointing him
Appointment, style, etc. of liquidators	538.The following provisions with respect to liquidators shall have effect on a winding-up order being made:– (a) the official receiver shall by virtue of his office become the provisional liquidator and shall continue to act as such until he or another person becomes liquidator and is capable of acting as such; (b) the official receiver shall summon separate meetings of the creditors and contributories of the company for the purpose of determining whether or not an application is to be made to the court for appointing a liquidator in the place of the official receiver; (c) the court may make any appointment and order required to give effect to any such determination, and if there is a difference between the determinations of the meetings of the creditors and contributories in respect of the matter aforesaid the court shall decide the difference and make such order thereon as the court may think fit; (d) in a case where a liquidator is not appointed by the court, the official receiver shall be the liquidator of the company; (e) the court may determine whether any and what security is to be given by a liquidator on his appointment; (f) the official receiver shall by virtue of his office be the liquidator during any vacancy;

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	(g) a liquidator shall be described, where a person other than the official receiver is liquidator, by the style of "the liquidator", and, where the official receiver is liquidator, by the style of "the official receiver and liquidator", of the particular company in respect of which he is appointed, and not by his individual name.

Provisions where a person other than official receiver is appointed liquidator.	539.Where in the winding up of a company by the court a person other than the official receiver is appointed liquidator, that person– (a) shall not be capable of acting as liquidator until he has notified his appointment to the Board or the court and given security in the prescribed manner to the satisfaction of the Board; (b) shall give the official receiver such information and access to and facilities for inspecting the books, register, records and documents of the company, and generally such aid as may be requisite for enabling that officer to perform his duties under this Act.
General provisions as to liquidators.	540.(1) A liquidator appointed by the court may resign or, on cause shown, be removed by the court. (2) Where a person other than the official receiver is appointed liquidator, he shall receive such salary or remuneration by way of percentage or otherwise as the court may direct and, if more of such persons than one are appointed liquidators, their remuneration shall be distributed among them in such proportions as the court directs. (3) A vacancy in the office of a liquidator appointed by the court shall be filled by the court. (4) If more than one liquidator is appointed by the court, the court shall declare whether any act required or authorised by this Act to be done by the liquidator is to be done by all or any one or more of the persons appointed. (5) The acts of a liquidator shall be valid notwithstanding any defects that may afterwards be discovered in his appointment or qualification.

	(6) Nothing in subsection (5) shall be deemed to give validity to acts done by a liquidator or provisional liquidator after his appointment has been shown to be invalid.
Custody of the company's property.	541. Where a winding-up order has been made or where a provisional liquidator has been appointed, the liquidator or provisional liquidator, as the case may be, shall take into his custody or control all the property and things-in-action to which the company is or appears to be entitled.
Vesting of property of company in liquidators.	542.(1) Where a company is being wound up by the court, the court may, on the application of the liquidator by order direct that all or any part of the property of whatsoever description belonging to the company or held by trustees on its behalf shall vest in the liquidator in his official name, and thereupon the property to which the order relates shall then vest accordingly. (2) The liquidator may, after giving such indemnity, if any, as the court may direct, bring or defend in his official name any action or other legal proceeding which relates to that property or which

	is necessary to bring or defend for the purpose of effectively winding up the company and recovering its property.

Powers of liquidators	543.(1) The liquidator in a winding up by the court shall have power with the sanction either of the court or of the committee of inspection to- (a) bring or defend any action or other legal proceeding in the name and on behalf of the company; (b) carry on the business of the company, so far as may be necessary for the beneficial winding up; (c) appoint a legal practitioner to assist him in the performance of his duties but where the liquidator is a legal practitioner, he shall not appoint his partner; (d) pay any class of creditors in full; (e) make any compromise or arrangement with creditors or persons claiming to be creditors, or having or alleging themselves to have any claim, present or future, certain or contingent, ascertained or sounding only in damages against the company, or whereby the company may be rendered liable; (f) compromise all calls and liabilities to calls, debts, and liabilities capable of resulting in debts, and all claims, present or future, certain or contingent, ascertained or sounding only in damages, subsisting or supposed to subsist between the company and contributory, or alleged contributory, or other debtor or person apprehending liability to the company. (2)The liquidator shall have power to– (a) sell the real and personal property and things- in-action of the company by public auction or private contract, with power to transfer the whole thereof to any person or company, or to sell them in parcels; (b) do all acts and to execute, in the name and on behalf of the company, all deeds, receipts and other documents, and for that purpose to use, when necessary, the company's seal; (c) prove,

	rank and claim in the bankruptcy, insolvency or sequestration of any contributory, for any balance against his estate, and to receive dividends in the bankruptcy, insolvency or sequestration in respect of that balance, as a separate debt due from the bankrupt, and rateably with the other separate creditors; (d) draw, accept, make and endorse any bill of exchange or promissory note in the name and on behalf of the company, with the same effect with respect to the liability of the company as if the bill or note had been drawn, accepted, made or endorsed by or on behalf of the company in the course of its business; (e) raise on the security of the assets of the company any money required; (f) take out in his official name letters of administration in respect of the estate of any deceased contributory, and to do in his official name any other act necessary for obtaining a payment of any money due from a contributory or his estate which cannot be conveniently done in the name of the company, and in all such cases the money due shall, for the purpose of enabling the liquidator to take out the letters of administration or recover the money, be deemed to be due to the liquidator himself; but nothing in this paragraph shall be deemed to affect the rights, duties and privileges of the Administrator and Director-General; (g) appoint an agent to do any business which the liquidator is unable to do himself; (h) do all such other things as may be necessary for winding up the affairs of the company and distributing its assets. (3) The exercise by the liquidator in a winding up by the court of powers conferred by this section shall be subject to the control of the court, and any creditor or contributory may apply to the court with respect to any exercise or proposed exercise of any of those powers.

	(4) The court may order that the liquidator may, where there is no committee of inspection exercise any of the powers specified in paragraph (a) or (b) of subsection (1) without the sanction or intervention of the court.

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Company's Liquidation Account.	544.(1) An account, called the Companies Liquidation Account, shall be kept by the Board at the Bank of Sierra Leone and all monies received by the Board in respect of proceedings in connection with the winding up of companies shall be paid into that account. (2) All payments out of money standing to the credit of the Board in the Companies Liquidation Account shall be made by the Director in the prescribed manner.
Exercise and control of liquidator's powers.	545.(1) Subject to this Act, the liquidator of a company which is being wound up by the court shall, in the administration of the assets of the company and in their distribution among its creditors, have regard to any directions that may be given by resolution of the creditors or contributories at any general meeting, or by the committee of inspection. (2) Directions given by the creditors or contributories at any general meeting shall, in case of conflict, be deemed to override any directions given by the committee of inspection. (3) The liquidator may summon general meetings of the creditors or contributories for the purpose of ascertaining their wishes, and it shall be his duty to summon meetings at such times as the creditors or contributories, by resolution, either at the meeting appointing the liquidator or otherwise, may direct, or whenever requested in writing to do so by one-tenth in value of the creditors or contributories, as the case may be. (4) The liquidator may apply to the court in the manner prescribed, for directions in relation to any particular matter arising under the winding up. (5) Subject to this Act, the liquidator shall use his own discretion in the management of the estate and its distribution among the creditors.

	(6) If any person is aggrieved by any act or decision of the liquidator, that person may apply to the court; and the court may confirm, reverse or modify the act or decision complained of, and make such order as it thinks just.
Books to be kept by the liquidator.	546.Every liquidator of a company which is being wound up by the court shall keep, in the manner prescribed, proper books in which he shall cause to be made entries or minutes of proceedings at meetings, and of such other matters as may be prescribed; and any creditor or contributory may, subject to the control of the court, personally or by his agent inspect such books, register or records.

Payments by liquidators into Companies Liquidation Account.	547. (1) Every liquidator of a company which is being wound up by the court shall, in such manner and at such times as the Board directs, pay the money received by him into the Companies Liquidation Account and the Board shall furnish him with a certificate of receipt of the money so paid. (2) If the committee of inspection satisfies the official receiver that, for the purpose of carrying on the business of the company, obtaining advances, or for any other reason, it is for the advantage of the creditors or contributories that the liquidator should have an account with any bank, the official receiver shall, on the application of the committee of inspection, authorise the liquidator to make his payments into and out of such bank as the committee may select, and then those payments shall be made in the prescribed manner. (3) If the liquidator at any time retains for more than 10 days a sum exceeding NLe.1,000 or such other amounts as the official receiver in any particular case authorises him to retain, then, unless he explains the retention to the satisfaction of the official receiver he shall pay interest on the amount so retained in excess, at the rate of twenty percent per annum and the liquidator shall- (a) be liable to a disallowance of all or such part of his remuneration as the official receiver may think just; (b) be removed from his office by the official receiver; and (c) be liable to pay any expenses occasioned by reason of his default. (4) A liquidator of a company which is being wound up by the court shall not pay any sums received by him as liquidator into his private banking account.

Audit of liquidator's accounts.	548.(1) Every liquidator of a company which is being wound up by the court shall, at such times as may be prescribed but not less than twice in each year during his tenure of office, send to the Board an account of his receipts and payments as liquidator. (2) The account which shall be in the prescribed form, shall be made in duplicate, and shall be verified by a statutory declaration. (3) The Board shall cause the account to be audited and for the purpose of the audit the liquidator shall furnish the official receiver with such vouchers and information as the Board may require. (4) The Board may, at any time, require the production of and inspect any books or accounts kept by the liquidator. (5) When the account has been audited, one copy shall be filed and kept by the Board and the other copy shall be delivered to the court for filing; and each copy shall be open to the inspection of any creditor or any person interested. (6) The Board shall cause the account when audited or a summary thereof to be printed and shall send a printed copy of the account or summary by post to every creditor and contributory.

Control over liquidators.	549.(1) The Board shall take cognisance of the conduct of liquidators of companies which are being wound up by the court, and if– (a) a liquidator does not faithfully perform his duties and duly observe all the requirements imposed on him by this Act, rules or otherwise with respect to the performance of his duties; or (b) any complaint is made to the Board by any creditor or contributory in regard thereto, the Board shall enquire into the matter and take such action on it as he may think expedient. (2) The Board may, at any time require any liquidator of a company which is being wound up by the court to answer any inquiry in relation to any winding up in which he is engaged, and may, if he thinks fit, apply to the court to examine him or any other person on oath concerning the winding up. (3) The Board may also direct a local investigation to be made of the books and vouchers of the liquidator.

Release of liquidators.	550.(1) When the liquidator of a company which is being wound up by the court has- (a) realised all the property of the company, or so much of it as can, in his opinion, be realised without needlessly protracting the liquidation; (b) distributed a final dividend, if any, to the creditors, and adjusted the rights of the contributories among themselves; (c) made a final return, if any, to the contributories; or (d) resigned, or has been removed from his office, the court shall, on his application, cause a report on his accounts to be prepared; and, on his complying with all the requirements the court shall take into consideration the report and any objection which may be urged by any creditor or contributory or person interested against the release of the liquidator, and either grant or withhold the release accordingly. (2) Where the release of a liquidator is withheld, the court may, on the application of any creditor or contributory or person interested, make such order as it thinks just, charging the liquidator with the consequences of any act or default which he may have done or made contrary to his duty. (3) An order of a court releasing the liquidator shall discharge him from all liability in respect of any act done or default made by him in the administration of the affairs of the company, or otherwise in relation to his conduct as liquidator, but such order may be revoked on proof that it was obtained by fraud or by suppression or concealment of any material fact. (4) Where the liquidator has not previously resigned or been removed, his release shall operate as a removal of him from his office.
	Committees of inspection

Meetings to consider appointment of committee of inspection	551.(1) When a winding up order has been made by the court, it shall be the business of the separate meetings of creditors and contributories summoned for the purpose of determining whether or not– (a) an application shall be made to the court for appointing a liquidator in place of the official receiver; or (b) an application is to be made to the court for the appointment of a committee of inspection to act with the liquidator, and who are to be members of the committee if appointed. (2) The court may make any appointment and order required to give effect to the determination; and if there is a difference between the determinations of the meetings of the creditors and contributories in respect of those matters the court shall decide the difference and make such order as the court may think fit.

Constitution and proceedings of the committee of inspection.	552. (1) A committee of inspection appointed pursuant to this Act shall consist of creditors and contributories of the company or persons holding general powers of attorney from creditors or contributories in such proportions as may be agreed on by the meetings of creditors and contributories, or as, in case of disagreement may be determined by the court. (2) The committee shall meet at such times as they may from time to time appoint and, failing such appointment, at least once a month; and the liquidator or any member of the committee may also call a meeting of the committee as and when he thinks necessary. (3) The committee may act by a majority of its members present at a meeting but shall not act unless a majority of the committee are present. (4) A member of the committee may resign by notice in writing signed by him and delivered to the liquidator. (5) If a member of the committee becomes bankrupt, or compounds or arranges with his creditors, or is absent from five consecutive meetings of the committee without the leave of those members who together with himself represent the creditors or contributories, as the case may be, his office shall become vacant. (6) A member of the committee may be removed by an ordinary resolution at a meeting of creditors, if he represents creditors or of contributories, if he represents contributories of which seven days' notice has been given, stating the object of the meeting. (7) On a vacancy occurring in the committee, the liquidator shall summon a meeting of creditors or of contributories, as the case may require, to fill the vacancy; and the meeting may, by resolution, re-appoint the same or appoint another creditor or contributory to fill the vacancy.

	(8) Notwithstanding subsection (7), if the liquidator, having regard to the position in the winding up is of the opinion that it is unnecessary for the vacancy to be filled, he may apply to the court and the court may make an order that the vacancy be not filled or be not filled except in circumstances specified by the order. (9) The continuing members of the committee, if not less than two, may act notwithstanding any vacancy in the committee. (10) If there is no committee of inspection, any act or thing or any direction or permission, authorised or required by this Act to be done or given by the committee may be done or given by the Board on the application of the liquidator.

	General powers of court in case of winding up by court
Power to stay winding up.	553.(1) The court may at any time after an order for winding up, on the application either of the liquidator, or the official receiver or any creditor or contributory, and on proof to the satisfaction of the court that all proceedings in the winding up ought to be stayed, make an order staying the proceedings, either altogether or for a limited time, on such terms and conditions as the court thinks fit. (2) On any application under this section the court may, before making an order, require the official receiver to furnish to the court a report with respect to any facts or matters which are in his opinion relevant to the application. (3) A copy of every order under this section shall be forwarded by the company or otherwise as may be prescribed, to the Board, which shall enter it in its records relating to the company.
Settlement of lists of contributories and application of assets.	554.(1) As soon as may be after making a winding-up order, the court shall settle a list of contributories, with power to rectify the register of members in all cases where rectification is required by this Act and shall cause the assets of the company to be collected, and applied in the discharge of its liabilities. (2) Where it appears to the court that it will not be necessary to make calls on or adjust the rights of contributories, the court may dispense with the settlement of a list of contributories. (3) In settling the list of contributories, the court shall distinguish between persons who are contributories in their own right and persons who are contributories as being representatives of or liable for the debts of others.

Delivery of property to liquidators.	555.The court may, at any time after making a winding up order, require any contributory for the time being on the list of contributories, and any trustee, receiver, banker, agent or officer of the company to pay, deliver, convey, surrender or transfer forthwith, or within such time as the court directs, to the liquidator any money, property or books and papers in his hands to which the company is prima facie entitled.
Payments of debts due by contributories to the company and extent to which set off allowed.	556.(1) The court may, at any time after making a winding up order, require any contributory for the time being on the list of contributories to pay, in the manner directed by the order, any money due from him or from the estate of the person whom he represents to the company, exclusive of any money payable by him or the estate by virtue of any call in pursuance of this Act. (2) The court may, in making an order– (a) in the case of an unlimited company, allow to the contributory by way of set-off any money due to him or to the estate which he represents from the company any independent dealing or contract with the company, but not any money due to him as a member of the company in respect of any dividend or profit; and (b) in the case of a limited company, make to any director or manager whose liability is unlimited or to his estate the same allowance. (3) In the case of any company, whether limited or unlimited, when all the creditors are paid in full, any money due on any account whatsoever to a contributory from the company may be allowed to him by way of set-off against any subsequent call.

Power of court to make calls.	557.(1) The court may, at any time after making a winding up order, and either before or after it has ascertained the sufficiency of the assets of the company, make calls on all or any of the contributories for the time being settled on the list of the contributories to the extent of their liability, for the payment of any money which the court considers necessary to satisfy the debts and liabilities of the company, and the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, and make an order for payment of any call so made. (2) In making a call, the court may take into consideration the probability that some of the contributories may partly or wholly fail to pay the call.
Payment into Companies liquidation Account of moneys due to companies.	558.(1) The court may order any contributory, purchaser or other person from whom money is due to the company to pay the amount into the Companies Liquidation Account to the account of the liquidator instead of to the liquidator, and the order may be enforced in the same manner as if it had directed payment to the liquidator. (2) All money and securities paid or delivered into the Companies Liquidation Account in the event of a winding up by the court shall be subject in all respects to the orders of the court.
Order on contributory to be conclusive evidence.	559. (1) An order made by the court on a contributory shall, subject to any right of appeal, be conclusive evidence that the money, if any, thereby appearing to be due or ordered to be paid is due. (2) All other pertinent matters stated in the order shall be taken to be truly stated as against all persons and in all proceedings whatsoever.

Appointment of special manager.	560. (1) Where in proceedings the official receiver becomes the liquidator of a company, whether provisionally or otherwise, he may, if satisfied that the nature of the estate or business of the company, or the interests of the creditors or contributories generally, require the appointment of a special manager of the estate or business of the company other than himself, apply to the court for an order to that effect. (2) The court may, on the application, appoint a special manager of the company's estate or business to act during such time as the court may direct, with such powers, including any of the powers of a receiver or manager, as may be entrusted to him by the court. (3) The special manager shall give such security and account in such manner as the court shall direct. (4) The special manager shall receive such remuneration as may be fixed by the court.
Power to exclude creditors not proving in time.	561.The court may fix a time or times within which creditors are to prove their debts or claims, or to be excluded from the benefit of any distribution made before those debts are proved.
Adjustment of rights of contributories.	562.The court shall adjust the rights of the contributories among themselves and distribute any surplus among the persons entitled to it.
Inspection of books by creditors and contributories.	563. (1) The court may, at any time after making a winding up order, make such order for inspection of the books and papers of the company by creditors and contributories as the court thinks just, and any books and papers in the possession of the company may be inspected by the creditors or contributories accordingly, but not further or otherwise.

	(2) Nothing in this section shall be taken to exclude or restrict any statutory rights of a government department or person acting under the authority of a government department
Costs of winding up to be paid out of assets.	564.The court may, in the event of the assets being insufficient to satisfy the liabilities, make an order as to the payment out of the assets of the costs, charges and expenses incurred in the winding up in such order of priority as the court thinks just.
Summoning of persons suspected of having property of the company.	565.(1) The court may, at any time after the appointment of a provisional liquidator or the making of a winding up order, summon before it any officer of the company or person known or suspected to have in his possession any property of the company or supposed to be indebted to the company, or any person whom the court thinks capable of giving information, concerning the promotion, formation, trade, dealings, affairs or property of the company. (2) The court may examine the officer or other person on oath concerning those matters, either orally or on written interrogatories, and may reduce his answers to writing and require him to sign them. (3) The court may require the officer or other person to produce any books and papers in his custody or power relating to the company, but, where he claims any lien on books or papers produced by him, the production shall be without prejudice to that lien, and the court shall have jurisdiction in the winding up to determine all questions relating to that lien. (4) If any person so summoned, after being given a reasonable sum for his expenses, refuses to come before the court at the

	time appointed, not having a lawful impediment (made known to the court at the time of its sitting, and allowed by it), the court may cause him to be apprehended and brought before it for examination,
Attendance of directors of the company at meetings of creditors, etc.	566.In the winding up by the court of a company the court may require the attendance of any director or other officer of the company at any meeting of creditors or of contributories or of a committee of inspection, for the purpose of giving information as to the trade, dealings, affairs or property of the company.

Public examination of promoters, directors, etc.	567.(1) Where an order has been made for winding up a company by the court and the official receiver has made a further report under this Act stating that in his opinion a fraud has been committed by any person in the promotion or formation of the company, or by any director or other officer of the company in relation to the company since its formation, the court may, after consideration of the report, direct that that person, director or other officer shall attend before the court on a day appointed by the court for that purpose, and be publicly examined as to the promotion or formation or the conduct of the business of the company, or as to his conduct and dealings as director or officer of it. (2) The official receiver shall take part in the examination, and may for that purpose, if specifically authorised by the court on that behalf, employ a legal practitioner. (3) The liquidator, where the official receiver is not the liquidator, and any creditor or contributory, may also take part in the examination either personally or by his counsel. (4) The court may put such questions to the person examined as the court thinks fit. (5) The person examined shall be examined on oath and shall answer all questions the court may put or allow to be put to him. (6) A person ordered to be examined under this section shall at his own cost before his examination, be furnished with a copy of the official receiver's report, and may at his own cost employ a legal practitioner who shall be at liberty to put to him such questions as the court may think just for the purpose of enabling him to explain or qualify any answers given by him. (7) If a person applies to the court to be exculpated from any charges made or suggested against him, it shall be the duty of the official receiver to appear on the hearing of the application and call the attention of the court to any matters which appear to

	the official receiver to be relevant; and if the court, after hearing any evidence given or witnesses called by the official receiver, grants the application, the court may allow the applicant such costs as in its discretion it thinks fit. (8) Notes of the person's public examination shall be taken down in writing, and shall be read over to or by, and signed by, the person examined, and may be used in evidence against him, and shall be open to the inspection of any creditor or contributory at all reasonable times. (9) The court may, if it thinks fit, adjourn the examination from time to time. (10) An examination under this section may, if the court so directs and subject to general rules, be held before any magistrate and the powers of the court under this section as to the conduct of the examination may be exercised by the person before the examination is held.

Power to restrain fraudulent persons from managing companies.	568.(1) Where an order has been made for winding up a company by the court, and the official receiver has made a further report under this Act stating that, in his opinion, a fraud has been committed by a person in the promotion or formation of the company, or by any director or other officer of the company in relation to the company since its formation, the court may, on the application of the official receiver, order that that person, director or officer shall not, without the leave of the court, be a director of or in any way, whether directly or indirectly, be concerned in or take part in the management of a company for such period, not exceeding 5 years, from the date of the report as may be specified in the order. (2) The official receiver shall, where he intends to make an application under subsection (1), give not less than 10 days' notice of his intention to the person charged with fraud, and on the hearing of the application that person may appear and himself give evidence or call witnesses. (3) It shall be the duty of the official receiver to- (a) appear on the hearing of an application by him of an order under this section and on an application for leave under this section; and (b) call the attention of the court to any matters which appear to him to be relevant, and on such application the official receiver may himself give evidence or call witnesses. (4) If any person acts in contravention of an order made under this section he shall be guilty of an offence and shall, in respect of each offence, be liable on conviction to a fine or to a term of imprisonment or to both the fine and imprisonment. (5) This section shall have effect notwithstanding that the person concerned may be criminally liable in respect of the matters on the ground of which the order is to be made.

Power to arrest absconding contributory.	569.The court may, at any time either before or after making a winding up order, on proof of probable cause for believing that a contributory is about to leave Sierra Leone, or otherwise to abscond, or to remove or conceal any of his property for the purpose of evading payment of calls, or of avoiding examination respecting the affairs of the company, cause the contributory to be arrested, and his books and papers and movable personal property to be seized, and safely kept until such time as the court may order.
Powers of court cumulative.	570.Any powers conferred by this Act on the court shall be in addition to and not in restriction of any existing powers of instituting proceedings against any contributory or debtor of the company, or the estate of the contributory or debtor, for the recovery of any call or other sums.
Dissolution of company.	571.(1) When the affairs of a company have been completely wound up, the court shall make an order that the company be dissolved from the date of the order, and the company shall be dissolved accordingly. (2) The order shall, within 14 days from the date of its making, be reported by the liquidator to the Board which shall make in its books a minute of the dissolution of the company. (3) If the liquidator defaults in complying with the requirements of this section, he shall be guilty of an offence and be liable to a fine for each day during which he is in default.
	Enforcement of and appeal from orders
Enforcement of orders	572.All orders made by the court under this Part may be enforced in the same manner in which orders of such court made in any suit pending before it is carried out.

Appeals from orders	573.Appeals from any order or decision made or given in the matter of winding up of a company by the court may be made in the same manner and subject to the same conditions as appeals from any order or decision of the court in cases within its ordinary jurisdiction.
	Voluntary winding-up
Circumstances in which company may be wound up voluntarily.	574.(1) A company may be wound up voluntarily- (a) when the period, if any, fixed for the duration of the company by the articles expires, or the event, if any, occurs, on the occurrence of which the articles provide that the company is to be dissolved, and the company in general meeting has passed a resolution requiring the company to be wound-up voluntarily; (b) if the company resolves by special resolution that the company be wound up voluntarily; (c) if the company resolves by special resolution to the effect that it cannot by reason of its liabilities continue its business, and that it is advisable to wind up. (2) In this Part the expression “a resolution for voluntary winding up” means a resolution passed under any of the provisions of subsection (1).
Notices of resolutions to wind up voluntarily.	575.(1) When a company has passed a resolution for voluntary winding-up, it shall, within 14 days after the passing of the resolution, file a copy of the resolution with the Board and give notice of the resolution by advertisement in the Gazette and also in two local newspapers with wide circulation, if any, circulating in the district where the registered office of the company is situated. (2) If default is made in complying with any requirement under subsection (1), the company and every officer of the company who is in default shall be liable to a default fine, and for the

	purposes of this subsection, the liquidator of the company shall be deemed to be an officer of the company.
Commencement of voluntary winding up.	576.A voluntary winding up shall be deemed to commence at the time of the passing of the resolution for voluntary winding up.
	Consequences of voluntary winding up
Effect of voluntary winding-up on business and status of company.	577.In a case of a voluntary winding up, the company shall, from the commencement of the winding-up, cease to carry on its business, except so far as may be required for the beneficial winding- up; but the corporate status and powers of the company shall, notwithstanding anything to the contrary in its articles, continue until it is dissolved.
Avoidance of transfers, etc., after commencement of voluntary winding up.	578.Any transfer of shares, not being a transfer made to or with the sanction of the liquidator, and any alteration in the status of the members of the company, made after the commencement of a voluntary winding up, shall be void.
	Declaration of solvency

Statutory declaration of solvency.	579.(1) Where it is proposed to wind up a company voluntarily, the directors may (or in the case of a company having more than two directors, the majority of them) at a directors' meeting make a statutory declaration to the effect that they have made a full inquiry into the company's affairs and that they have formed the opinion that the company will be able to pay its debts in full within such period, not exceeding 12 months from the commencement of the winding up, as may be specified in the declaration. (2) A declaration by the directors has no effect for the purposes of this Act unless– (a) it is made within the 5 weeks immediately preceding the date of the passing of the resolution for winding up, or on that date but before the passing of the resolution; (b) it embodies a statement of the company's assets and liabilities as at the latest practicable date before the making of the declaration; and (c) it is delivered to the Board before the expiration of 15 days immediately following the date on which the resolution for the winding up is passed or such further date as may be determined by the Board. (3) A director making a declaration under this section without having reasonable grounds for the opinion that the company will be able to pay its debts in full within the specified period shall be guilty of an offence and be liable to a fine or to a term of imprisonment or to both the fine and imprisonment. (4) If the company is wound up in pursuance of a resolution passed within 5 weeks after the making of the declaration and its debts are not paid or provided for in full within the period specified, it shall be presumed (unless the contrary is shown) that the director did not have reasonable grounds for his opinion.

Distinction between "members" and "creditors" voluntary winding-up.	580.A winding-up in the case where a director's statutory declaration under section 567 has been made is a "members' voluntary winding up"; and a winding up in the case of which such a declaration has not been made is a "creditors voluntary winding up."
Solvency test	581.(1) For the purposes of this Act, a company satisfies the solvency test if, immediately after the transaction or distribution in question – (a) the company is able to pay its debts as they fall due in the ordinary course of business; and (b) the value of the company's assets is greater than the value of its liabilities, including contingent and prospective liabilities. (2) In applying the solvency test, regard shall be had to – (a) the nature and size of the company's business; (b) reasonably foreseeable obligations; and (c) the company's access to working capital.
Application of solvency test	582.(1) The solvency test applies to – (a) distributions, dividends, and returns of capital; (b) redemption or repurchase of shares; (c) financial assistance to members or related persons; (d) conversion of debt to equity where value is released; and (e) any other transaction prescribed by regulations. (2) A transaction to which this section applies shall not be entered into unless the solvency test is satisfied.

Solvency declaration by directors	583.1) Before authorising a transaction subject to the solvency test, the directors shall make a written solvency declaration. (2) The solvency declaration shall state that the directors have made due inquiry into the affairs of the company and are satisfied on reasonable grounds that the company meets the solvency test. (3) The declaration shall be signed by – (a) all directors; or (b) in the case of a single-director or single-member company, the sole director. (4) A copy of the declaration shall be kept with the company's records and, where prescribed, filed with the Board.
Basis for solvency declaration	584.(1) A director may rely on – (a) financial statements; (b) cash flow projections; (c) professional advice; or (d) other information reasonably believed to be reliable. (2) Reliance under subsection (1) shall be reasonable having regard to the circumstances and the director's knowledge and experience.
Liability for false or reckless solvency declaration	585.(1) A director who makes a solvency declaration without reasonable grounds commits a breach of duty. (2) Where a transaction is entered into in breach of the solvency test – (a) the directors who authorised the transaction are jointly and severally liable to compensate the company for any loss; (b) a member who received a distribution knowing the company was insolvent shall be liable to repay it; and (c) the Court may make such further orders as it considers appropriate.

	(3) Criminal liability arises where a declaration is made dishonestly or with intent to defraud creditors.
Creditor protection and enforcement	586.(1) A creditor may apply to the Court where a transaction is entered into in breach of the solvency test. (2) The Court may – (a) set aside the transaction; (b) order repayment or restitution; (c) impose personal liability on directors; or (d) grant any other relief necessary to protect creditors. (3) Rights under this section are in addition to any rights under insolvency law.
Solvency test and insolvency proceedings	587.(1) Compliance with the solvency test does not prevent the commencement of insolvency or rescue proceedings. (2) Failure to comply with the solvency test is relevant in determining – (a) wrongful trading; and (b) director disqualification.
Proportional application for small companies	588.(1) In applying this Part to small companies and single-member companies, the form and content of solvency declarations may be simplified as prescribed.

	(2) Simplification does not affect the substance of director responsibility or creditor protection.
Recordkeeping and inspection	589.(1) Solvency declarations and supporting documents shall be retained for the prescribed period. (2) Such records shall be available for inspection by – (a) auditors, where applicable; (b) insolvency practitioners; and (c) the Court.
	Provisions applicable to a members' voluntary winding up
Provisions applicable to members' winding-up.	590. Sections 467 to 476 shall only apply in relation to a members' voluntary winding-up.
Powers of company to appoint and fix remuneration of liquidators.	591.(1) The company in general meeting shall appoint one or more liquidators for the purpose of winding up the affairs and distributing the assets of the company and may fix the remuneration to be paid to him or them. (2) On the appointment of a liquidator all the powers of the directors shall cease, except so far as the company in general meeting, or the liquidator, sanctions the continuance of such powers.

Power to fill vacancies in the office of liquidator.	592.(1) If a vacancy occurs by death, resignation or otherwise in the office of liquidator appointed by the company, the company in general meeting may, subject to any arrangement with its creditors, fill the vacancy. (2) For the purpose of filling a vacancy, a general meeting may be convened by any contributory or, if there were more liquidators than one by the continuing liquidators. (3) The meeting shall be held in the manner provided by this Act or by the articles, or in such manner as may, on application by any contributory or by the continuing liquidators, be determined by the court.

Power of liquidator to accept shares as consideration for sale of company's property.	593.(1) The following applies where a company is proposed to be, or is being, wound up voluntarily, and the whole or part of its business or property is proposed to be transferred or sold to another company (" the transferee company"), whether or not this latter is a company within the meaning of this Act. (2) The liquidator of the company to be, or being, wound up("the transferor company ") may, with the sanction of a special resolution of that company, conferring either a general authority on himself or an authority in respect of any particular arrangement, receive, in compensation or part compensation for the transfer or sale of shares, policies or other like interests in the transferee company for distribution among the members of the transferor company. (3) Without prejudice to subsection (2) the liquidator may, with the sanction of a special resolution, enter into any other arrangement whereby the members of the transferor company may, in lieu of receiving cash, shares, policies, or other like interests (or in addition), participate in the profits of, or receive any other benefit from, the transferee company. (4) A sale or arrangement in pursuance of this section is binding on members of the transferor company. (5) If a member of the transferor company who did not vote in favour of the special resolution expresses his dissent from it in writing addressed to the liquidator, and left at the company's registered office within 7 days after the passing of the resolution, he may require the liquidator either to abstain from carrying the resolution into effect or to purchase his interest at a price to be determined by agreement or by arbitration in the manner provided by any enactment regulating arbitration. (6) If the liquidator elects to purchase the member's interest, the purchase money shall be paid before the company is dissolved

	and be raised by the liquidator in such manner as may be determined by special resolution. (7) A special resolution shall not be invalid for the purposes of this section by reason that it is passed before or concurrently with a resolution for voluntary winding-up or for appointing liquidators; but, if an order is made within a year for winding up the company by or subject to the supervision of the court the special resolution shall not be valid unless sanctioned by the court.

Creditors' meeting in case of insolvency.	594.(1) If the liquidator is at any time of the opinion that the company will not be able to pay its debts in full within the period stated in the directors' declaration under section 567, he shall forthwith summon a meeting of the creditors and shall lay before the meeting a statement of the company's assets and liabilities. (2) If the liquidator fails to comply with subsection (1) he shall be guilty of an offence and be liable to a fine.

Final meeting and dissolution of companies	595.(1) As soon as the company's affairs are fully wound up the liquidator shall make up an account of the winding-up, showing how it has been conducted and the company's property has been disposed of, and shall call a general meeting of the company and a meeting of the creditors for the purpose of laying the accounts before the meeting and giving an explanation of it. (2) The meeting shall be called by advertisement in the Gazette and in at least two local newspapers with wide circulation, specifying its time, place and object and published at least one month before the meeting. (3) Within one week after the meeting, the liquidator shall send to the Board a copy of the account, and shall make a return to it of the holding of the meeting and of its date; and if the copy is not sent or the return is not made in accordance with this subsection the liquidator is liable to a default fine. (4) If a quorum is not present at the meeting, the liquidator shall, in lieu of the return referred to in subsection (3), make a return that the meeting was duly summoned and that no quorum was present; and upon such a return being made, the provisions of subsection (3) as to the making of the return are deemed complied with. (5) The Board, on receiving the account and either of these returns shall forthwith register them, and on the expiration of 3 months from the registration of the return the company is deemed to be dissolved; but the court may, on the application of the liquidator or of any other person who appears to the court to be interested, make an order deferring the date at which the dissolution of the company is to take effect for such time as the court thinks fit. (6) It is the duty of the person on whose application an order of the court, under this section is made within 7 days after the making of the order to deliver to the Board an office copy of the

	order for registration; and if that person fails to do so he is liable to a default fine. (7) If the liquidator fails to call a general meeting of the company as required by subsection (1), he is liable to a default fine.

Alternative provision as to company meetings in case of insolvency.	596.(1) Where section 413 has effect, section 422 applies to the winding up to the exclusion of section 414 as if the winding up were a creditors' winding up and not a members' voluntary winding up. (2) The liquidator is not required to summon a meeting of creditors under section 422 at the end of the first year from the commencement of the winding up, unless the meeting held under section 414 is held more than 3 months before the end of that year.

Books and accounts during members' voluntary winding up.	597.(1) The liquidator in a members' voluntary winding-up shall keep proper records and books of account with respect to his acts and dealings and of the conduct of the winding up and of all receipts and payments by him and so long as he carries on the business of the company, he shall keep a distinct account of the trading. (2) In the event of the winding up continuing for more than a year, the liquidator shall– (a) summon a general meeting of the company at the end of the first year from the commencement of the winding up and of each succeeding year, or at the first convenient date within 3 months of the end of the year or such longer period as the Board may allow; and (b) lay before the meeting an account of his acts and dealings and of the conduct of the winding up during the preceding year and of the trading during such time as the business of the company has been carried on, and within 28days thereafter shall send a copy of the accounts to the Board for registration. (3) So soon as the affairs of the company are fully wound up, the liquidator shall prepare and send to every member of the company final accounts of the winding up showing– (a) how the winding up has been conducted; (b) the result of the trading during such time as the business of the company has been carried on; and (c) how the property of the company has been disposed of, and shall then convene a general meeting of the company for the purpose of laying before it the accounts and of giving an explanation of the accounts. (4) Within 28 days after the meeting referred to in subsection (3), the liquidator shall send to the Board for registration copies of the

	accounts laid before the meeting and a statement of the holding of the meeting and of its date. (5) If a quorum was not present at the meeting the liquidator, in lieu of the statement made under subsection (4), shall send a statement that the meeting was duly convened and that no quorum was present at the meeting. (6) The records, books and accounts referred to in this section shall be in such form if any, as the Board may prescribe and shall give a true and fair view of the matters therein recorded and of the administration of the company's affairs and of the winding up. (7) The accounts referred to in subsections (2) and (3) shall be audited by the auditor of the company prior to being laid before the company in general meeting in accordance with subsections (2) and (3) and the auditors shall state in a report annexed to the accounts whether, in their opinion and to the best of their information– (a) they have obtained all the information and explanations necessary for the purpose of their audit. (b) proper books and records have been maintained by the liquidator in accordance with this Act, and the accounts are in accordance with the books and records and give all the information required by this Act in the manner required and give a true and fair view of the matters stated in the accounts. (8) The audit and auditors' report shall not be required if- (i) the liquidator, or one of the liquidators if more than one, is duly qualified under this Act for appointment as auditor of a public company; and (ii) on or after his appointment as liquidator, the company resolved by special resolution that the amounts shall not be audited in accordance with this subsection. (9) A meeting required to be convened under this section shall be convened and held, so far as may be, in accordance with this

	Act and the regulations of the company relating to general meetings. (10) The liquidator shall preserve the books and papers of the company and of the liquidator for a period of 5 years from the dissolution of the company but thereafter may destroy the books and papers unless the Board otherwise directs, in which event he shall not destroy the books and papers until the Board consents in writing, (11) If a liquidator fails to comply with any of the provisions of this section, he shall be guilty of an offence and be liable to a fine not exceeding Le.500,000 for each default.

	Provisions applicable to creditors' voluntary winding up

Meeting of creditors.	598. (1) The company shall give at least 7 days' notice of the company meeting at which the resolution for voluntary winding up is to be proposed. (2) Subsection (1) applies notwithstanding any power of the members, or of any particular majority of the members, to exclude or waive any other requirement of this Act or the company's articles with respect to the period of notice to be given of any company meeting. (3) The company shall, in addition– (a) cause a meeting of its creditors to be summoned for the day, or the day next following the day, on which the company meeting is to be held; (b) cause notice of the creditors' meeting to be advertised once in the Gazette and once at least in two local newspapers with wide circulation. (4) The directors of the company shall– (a) cause a full statement of the position of the company's affairs, together with a list of its creditors and the estimated amount of their claims, to be laid before the creditors' meeting; and (b) appoint one of their number to preside at the meeting; and it shall be the duty of the director so appointed to attend the meeting and preside at it. (5) If the company meeting at which the resolution for voluntary winding up is to be proposed is adjourned and the resolution is passed at an adjourned meeting, any resolution passed at the creditors', meeting held under subsection (2) shall have effect as if it had been passed immediately after the passing of the resolution for voluntary winding up. (6) If default is made–

	(a) by the company in complying with subsections (1) and (3); (b) by the directors in complying with subsection (4); (c) by any director in complying with subsection (5), the company, the directors or the director (as the case may be) is or are liable to a fine; and in the case of default by the company, every officer of the company who is in default is also so liable to the same penalty. (7) Failure to give notice of the company meeting as required by subsection (1) does not affect the validity of any resolution passed or other thing done at that meeting which would be valid apart from that subsection.

Appointment of liquidator.	599.(1) The creditors and the company at their respective meetings may nominate a person to be liquidator for the purpose of winding up the affairs and distributing the assets of the company, and if– (a) the creditors and the company nominate different persons, the person nominated by the creditors shall be liquidator; (b) no person is nominated by the creditors; the person, if any, nominated by the company shall be liquidator. (2) Where different persons are nominated, any director, member or creditor of the company may, within 7 days after the date on which the nomination was made by the creditors, apply to the court for an order either directing that the person nominated as liquidator by the company shall be liquidator instead of or jointly with the person nominated by the creditors, or appointing some other person to be liquidator instead of the person appointed by the creditors.

Appointment of committee of inspection	600. (1) The creditors, at the meeting to be held in pursuance of section 376 or at any subsequent meeting, may, if they think fit, appoint a committee of inspection consisting of not more than 5 persons; and if the committee is appointed the company may, either at the meeting at which the resolution for voluntary winding up is passed or at any time subsequently in general meeting, appoint such number of persons as they think fit to act as members of the committee not exceeding five in number. (2) A committee of inspection shall consist of creditors and contributories of the company or persons holding general powers of attorney from creditors or contributories in such proportions as may be agreed on by the meetings of creditors and contributories, or as, in case of differences, may be determined by the court. (3) The creditors may, if they think fit, resolve that all or any of the persons so appointed by the company ought not be members of the committee of inspection and, if creditors so resolve, the persons mentioned in the resolution shall not, unless the court under this provision, if it thinks fit, appoint other persons to act as such members in place of the persons mentioned in the resolution. (4) Proceedings of a committee of inspection shall be conducted in the prescribed manner.
Fixing of liquidators' remuneration and cesser of directors' powers.	601.(1) The committee of inspection, or if there is no committee, the creditors, may fix the remuneration to be paid to the liquidator or liquidators. (2) On the appointment of the committee of inspection, or if there is no committee, the creditors, may, sanction the continuance of such powers.

Power to fill vacancy in the office of liquidator.	602.If a vacancy occurs by death, resignation or otherwise, in the office of a liquidator, appointed by the company, the company in general meeting may, subject to any arrangement with the creditors, fill the vacancy.
Liquidator to call meetings of companies and others at the end of each year.	603.(1) If the winding up continues for more than one year, the liquidator shall summon a general meeting of the company and a meeting of creditors– (a) at the end of the first year from the commencement of the winding up, and of each succeeding year; or (b) at the first convenient date within 3 months from the end of the year or such longer period as the Board may allow, and shall lay before the meetings an account of his acts and dealings and of the conduct of the winding up during the preceding year. (2) If a liquidator fails to comply with subsection (1) he shall be guilty of an offence and be liable to a fine not exceeding Le5,000.
	Provisions applicable to voluntary winding up
Distribution of property of company.	604.Subject to this Act as to preferential payments, the property of a company shall, on its winding up, be applied in satisfaction of its liabilities pari passu, and, subject to such application, shall, unless the articles otherwise. provide, be distributed among the members according to their rights and interests in the company.

Powers and duties of the liquidator are voluntary. winding up	605.(1) The liquidator may– (a) in the case of a members' voluntary winding up, with the sanction of a special resolution of the company, and (b) in the case of a creditors' voluntary winding up, with the sanction of the court or the committee of inspection (or, if there is no such committee, a meeting of the creditors), exercise any of the powers given by paragraphs (d), (e), and (f) of subsection (1) of section 371 to a liquidator in a winding up by the court. (2) The liquidator may, without sanction, exercise any of the other powers given by this Act to the liquidator in a winding up by the court. (3) The liquidator may– (a) exercise the court's power of settling a list of contributories and the list shall be prima facie evidence of the liability of the persons named in it to be contributories; (b) exercise the court's power of making calls; (c) summon general meetings of the company for the purpose of obtaining its sanction by special resolution or for any other purpose he may think fit. (4) The liquidator shall pay the company's debts and adjust the rights of the contributories among themselves. (5) When several liquidators are appointed, any power given by this Act may be exercised by any one or more of them as may be determined at the time of their appointment or, in default of such determination, by any number not less than two.
Appointment and removal of liquidator in voluntary winding up.	606.(1) If for any reason there is no liquidator acting, the court may appoint a liquidator.

	(2) The court may, on cause shown, remove a liquidator and appoint another liquidator.
Notice by the liquidator of his appointment.	607.(1) The liquidator shall, within 21 days after his appointment, deliver to the Board for registration a notice of his appointment in a form prescribed by the Board. (2) If the liquidator fails to comply with subsection (1) he shall be guilty of an offence and be liable to a fine for each day that the default continues.
Arrangement when binding on creditors.	608.(1) Any arrangement entered into between a company about to be, or is in the course of being wound up and its creditors shall, subject to the right of appeal under this section, be binding- (a) on the company if sanctioned by an extraordinary resolution, and (b) on the creditors if acceded to by three-fourths in number and value of the creditors. (2) Any creditor or contributor may, within 3 weeks from the completion of the arrangement, appeal to the court against it and the court may, as it thinks just, amend, vary or confirm the arrangement.

Power to apply to court to have questions determined or powers exercised.	609.(1) The liquidator or any contributory or creditor may apply to the court to determine any question arising in the winding up of a company, or to exercise, as respects the enforcing of calls, or any other matter, all or any of the powers which the court might exercise if the company were being wound up by the court. (2) The court, if satisfied that the determination of the question or the required exercise of power will be just and beneficial, may accede wholly or partially to the application on such terms and conditions as it thinks fit, or may make such other order on the application as it thinks just. (3) A copy of an order made by virtue of this section staying the proceedings in the winding up shall be forwarded by the company or otherwise as may be prescribed, to the Board, which shall enter it in its records relating to the company.
Cost of voluntary winding up.	610.All costs, charges, and expenses properly incurred in the winding up, including the remuneration of the liquidator, shall be payable out of the assets of the company in priority to all other claims.
Saving the rights of creditors and contributories	611.The winding up of a company shall not bar the right of any creditor or contributory to have it wound up by the court; but in the case of an application by a contributory, the court must be satisfied that the rights of the contributories will not be prejudiced by a voluntary winding up.
Power to order winding up subject to supervision.	612.When a company has passed a resolution for voluntary winding up, the court may make an order that the voluntary winding up shall continue but subject to the supervision of the court, and with such liberty for creditors, contributories or others to apply to the court, and generally on such terms and conditions, as the court thinks just.

Effect of petition for winding up subject to supervision.	613.A petition for the continuance of a voluntary winding up subject to the supervision of the court shall, for the purpose of giving jurisdiction to the court be deemed to be a petition for winding up by the court.
Application of sections 355 and 356 to winding-up subject to supervision of court.	614.A winding up subject to the supervision of the court shall, for the purposes of sections 355 and 356, be deemed to be a winding up by the court.
Appointment and removal of liquidators.	615.(1) Where an order is made for a winding up subject to supervision, the court may, by that or any subsequent order appoint any additional liquidator. (2) A liquidator so appointed shall have the same powers, is subject to the same obligations, and in all respects stands in the same position as if he had been duly appointed in accordance with this Act in respect of the appointment of liquidators in a voluntary winding up.

Effect supervision order.	616.(1) Where an order is made for a winding up subject to supervision, the liquidator may, subject to any restrictions imposed by the court, exercise all his powers, without the court's sanction or intervention, in the same manner as if the company were being wound up altogether voluntarily. (2) The powers specified in paragraphs (d), (e) and (f) of subsection (1) of section 371 shall not be exercised by the liquidator except with the sanction or intervention, in the same manner as if the company were being wound up altogether voluntarily. (3) A winding up subject to the supervision of the court is not a winding up by the court for the purposes of the Eleventh Schedule but, subject to this Act an order for a winding up subject to supervision is deemed to be for all purposes an order for winding up by the court. (4) Where the order for winding up subject to supervision was made in relation to a creditors' voluntary winding up in which a committee of inspection had been appointed, the order is deemed an order for winding up by the court for the purposes of section 398, except in so far as the operation of those provisions is excluded in a voluntary winding up by general rules. (5) In this section "relevant date" means such date as may be fixed by the Minister by statutory instrument.
	Provisions applicable to every mode of winding-up, proof and ranking of claims

Debts of all descriptions may be proved.	617.(1) In every winding-up (subject, in the case of insolvent companies, to the application in accordance with this Act of the law of bankruptcy) all debts payable on a contingency and all claims against the company, present or future, certain or contingent, ascertained or sounding only in damages, are admissible to proof against the company. (2) A just estimate is to be made (so far as possible) of the value of such debts or claims as may be subject to any contingency or sounding only in damages, or for some other reason do not bear a certain value.
Application of bankruptcy rules in certain cases.	618.In the winding-up of an insolvent company incorporated in Sierra Leone the same rules shall apply and be observed with regard to the respective rights of secured and unsecured creditors and to debts provable and to the valuation of annuities and future and contingent liabilities as are in force for the time being under the law of bankruptcy in Sierra Leone with respect to the estates of persons adjudged bankrupt; and all persons who in such case would be entitled to prove and receive dividends out of the assets of the company may come in under the winding-up and make such claims against the company as they respectively are entitled to by virtue of this section.

Preferential payments.	619.(1) In a winding up there shall be paid in priority to all other debts– (a) all taxes and rates whether payable to the Government or to a local council, due from the company at the relevant date and having become due and payable within 12 months next before that date; (b) deductions under the National Social Security and Insurance Trust Act, 2001; (c) all wages or salaries of– (i)any clerk or servant whether or not earned in part by way of Board; and (ii) any workman or labourer in respect of services rendered to the company during a period of 12 months next before the relevant date; but where any labourer has entered into a contract for the payment of a portion of his wages in a lump sum at the end of the year of hiring, he shall have priority in respect of the whole of such sum, or a part as the court may decide to be due under the contract, proportionate to the time of service up to the relevant date; (d) unless the company is being wound up voluntarily merely for the purposes of reconstruction or of amalgamation with another company or unless the company has at the commencement of the winding up under Cap 219 such a contract with insurers as is mentioned in section 28 of the Workmen's Compensation Act, rights capable of being transferred to and vested in the workman, all amounts due in respect of any compensation or liability for compensation under the Workmen's compensation Act accrued before the relevant date. (2) Where any compensation under the Workmen's Compensation Act is a weekly payment, the amount due in respect Cap 219 thereof shall, for the purposes of paragraph (c)

	of subsection (1) be taken to be the amount of the lump sum for which the weekly payment could, if redeemable, be redeemed if the employer made an application for that purpose under that Act. (3) Where any payment on account of wages or salary has been made to any clerk, servant, workman or labourer in the employment of a company out of money advanced by some person for that purpose, that person shall, in a winding up have a right of priority in respect of the money so advanced and paid up to the amount by which the sum in respect of which that clerk, servant, workman or labourer would have been entitled to priority in the winding up has been diminished by reason of the payment having been made. (4) The debts referred to in subsection (1) shall– (a) rank equally among themselves and be paid in full, unless the assets are insufficient to meet them, in which case they shall abate in equal proportions; and (b) so far as the assets of the company available for payment of general creditors are insufficient to meet them, have priority over the claims of holders of debentures secured by any floating charge created by the company, and shall be paid accordingly out of any property comprised in or subject to that charge. (5) Subject to the retention of such sums as may be necessary for the costs and expenses of the winding up, the debts referred to in subsection (1) shall be discharged forthwith so far as the assets are sufficient to meet them. (6) In the event of a landlord or other person distraining or having distrained on any goods or effects of the company within three months next before the date of a winding-up order, the debts to which priority is given by this section shall be a first charge on the goods or effects so distrained on, or the proceeds of the sale, and in respect of any money paid under the charge, the landlord

	or other person shall have the same rights or priority as the person to whom the payment is made. (7) In this section the expression “the relevant date” means– (a) in the case of a company ordered to be wound up compulsorily which had not previously commenced to be wound up voluntarily, the date of the winding-up order; and (b) in any other case, the date of the commencement of the winding-up.

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	Effect of winding-up on antecedent and other transactions
Fraudulent preference.	620.(1) Any conveyance, mortgage, delivery of goods, payment, execution or other act relating to property which would, if made or done by or against an individual, be deemed in his bankruptcy a fraudulent preference, shall, if made or done by or against a company, be deemed, in the event of its being wound up, a fraudulent preference of its creditors, and be voidable. (2) For the purposes of this section, the presentation of a petition for winding up in the case of a winding up by or subject to the supervision of the court and a resolution for winding up, shall be deemed to correspond with the act of bankruptcy in the case of an individual. (3) Any conveyance or assignment by a company of all its property to trustees for the benefit of all its creditors shall be void.

Liabilities and rights of persons fraudulently preferred.	621.(1) Where anything made or done after the commencement of this Act is void under section 439 as a fraudulent preference of a person interested in property mortgaged or charged to secure the company's debt– (a) the person preferred shall, without prejudice to any liabilities or rights apart from this section, be subject to the same liabilities and have the same rights, as if he had undertaken to be personally liable as surety for the debt to the extent of the charge on the property or the value of his interest, whichever is the less; and (b) the value of that person's interest shall be determined as at the date of the transaction constituting the fraudulent preference and shall be determined as if the interest were free of all incumbrances other than those to which the charge for the company's debt was the subject. (2) Where, for the purposes of this section an application is made to the court in respect of any payment on the grounds that the payment was fraudulent preference of a surety or guarantor, the court may- (a) determine any questions in respect of the payment arising between the person to whom the payment is made and the surety or guarantor; and (b) grant relief in respect thereof notwithstanding that it is not necessary to do so for the purposes of the winding up, and may for that purpose give leave to bring in the surety or guarantor as a third party as in the case of an action for the recovery of the sum paid. (3) Subsection (2) shall apply with the necessary modifications to a transaction other than payment of money as it applies to payment of money.

Procedure for setting aside voidable transactions and charges	622.(1) A liquidator who wishes to have transactions under section 444 or any other voidable transaction under sections 446 and 447 set aside shall– (a) file in the court a notice to that effect specifying the transaction or charge to be set aside and, in the case of a transaction, the property or value which the liquidator wishes to recover and also the effect of subsections (2), (3) and (4); and (b) serve a copy of the notice on the other party to the transaction or the grantee of the charge and on every other person from whom the liquidator wishes to recover. (2) A person– (a) who would be affected by the setting aside of the transaction or charge specified in the notice; and (b) who considers that the transaction or charge should not be set aside, may apply to the court for an order that the transaction or charge not be set aside.

Orders upon setting aside transactions or charges.	623.If a transaction or charge is set aside, the court may make one or more of the following orders:– (a) an order requiring a person to pay to the liquidator in respect of benefits received by that person as a result of the transaction or charge such sums as fairly represent those benefits; (b) an order requiring property transferred as part of the transaction to be restored to the company; (c) an order requiring property to be vested in the company if it represents in a person's hands the application of either proceeds of sale of property or of money so transferred; (d) an order releasing in whole or in part a charge given by the company; (e) an order requiring security to be given for the discharge of an order made under this section; (f) an order specifying the extent to which a person affected by the setting aside of a transaction or by an order made under this section is entitled to claim as a creditor in the liquidation.

Additional provisions relating to setting aside transactions and charges	624. (1) The setting aside of a transaction or an order made under section 442 does not affect the title or interest of a person in property which that person has acquired – (a) from a person other than the company; (b) for valuable consideration; and (c) without knowledge of the circumstances under which the property was acquired from the company. (2) The setting aside of a charge or an order made under section 442 does not affect the title or interest of a person in property which that person has acquired – (a) as the result of the exercise of a power of sale by the grantee of the charge; (b) for valuable consideration; and (c) without knowledge of the circumstances relating to the giving of the charge. (3) Recovery by the liquidator of property or its equivalent value whether under this Act or under any other enactment may be denied wholly or in part if– (a) the person from whom recovery is sought received the property in good faith and has altered his position in the reasonably held belief that the transfer to that person was validly made and would not be set aside; and (b) in the opinion of the court it is inequitable to order recovery or recovery in full.

Transactions at undervalue	625.(1) Where– (a) a transaction was entered into by a company within the specified period referred to in subsection (3); (b) the value of the consideration or benefit received by the company was less than the value of the consideration provided by the company or the company received no consideration or benefit; and (c) when the transaction was entered into the company- (i) was unable to pay its due debts; (ii) was engaged or about to engage in business for which its financial resources were unreasonably small; or (iii) incurred an obligation knowing that the company would not be able to perform the obligation when required to do so; (d) when the transaction was entered into the other party to the transaction knew or ought to have known of the matter referred to in subparagraph (i), (ii) or (iii) as the case may be of paragraph (c), the liquidator may recover from any other party to the transaction any amount by which the value of the consideration or benefit provided by the company exceeded the value of the consideration or benefit received by the company. (2) Where– (a) a transaction was entered into by a company within the specified period; (b) the value of the consideration or benefit received by the company was less than the value of the consideration provided by the company or the company received no consideration or benefit;

	(c) the company became unable to pay its due debts as a result of the transaction; and (d) when the transaction was entered into the other party to the transaction knew or ought to have known that the company would become unable to pay its due debts as a result of the transaction, the liquidator may recover from any other party to the transaction any amount by which the value of the consideration or benefit provided by the company exceeded the value of the consideration or benefit received by the company. (3) For the purposes of this section- (a) “transaction” includes the giving of a guarantee by a company; (b) “specified period” means- (i) the period of a year before the commencement of the winding up; and (ii) in the case of a company that was put into winding up by the court, the period of a year before the making of the application to the court together with the period commencing on the date of the making of that application and ending on the date on which the order of the court was made.

Inadequate or excessive consideration for directors and certain other persons	626.(1) Where within the specified period referred to in subsection (4) a company has acquired a business or property from the services of– (a) a person who was at the time of the acquisition a director of the company or a nominee or relative of or a trustee for a relative of a director of the company; (b) a person or a relative of a person who at the time of the acquisition had control of the company; (c) another company that was at the time of the acquisition controlled by a director of the company or a nominee or relative of or a trustee for a relative of a director of the company; (d) another company that was at the time of the acquisition a related company, the liquidator may recover from the person relative company or related company as the case may be any amount by which the value of the consideration given for the acquisition of the business, property or services exceeded the value of the business, property or services at the time of the acquisition. (2) Where within the specified period referred to in subsection (4) a company has disposed of a business or property or provided services or issued shares to– (a) a person who was at the time of the disposition or issue a director of the company or a nominee or relative of or a trustee for a relative of a director of the company; (b) a person or a relative of a person who at the time of the disposition, provision or issue had control of the company; (c) another company that was at the time of the disposition, provision or issue controlled by a director of the company or a nominee or relative of or a trustee for a relative of a director of the company; or

	(d) another company that at the time of the disposition, provision or issue was a related company, the liquidator may recover from the person, relative company or related company as the case may be, any amount by which the value of the business, property or services or the value of the shares at the time of the disposition, provision or issue exceeded the value of any consideration received by the company. (3) For the purposes of this section, the value of a business or property includes the value of any goodwill attaching to the business or property. (4) For the purposes of subsections (1 and (2), “specified period” means– (a) the period of 3 years before the commencement of the winding up; and (b) in the case of a company that was put into winding up by the court the period of three years before the making of the application to the court together with the period commencing on the date of the making of the application and ending on the date on which the order of the court was made.

Court to set aside certain securities and charges	627.(1) Subject to subsection (2), if a company that is in liquidation is unable to meet all its debts, the court, on the application of the liquidator may order that a security or charge or part of it created by the company over any of its properties or undertaking in favour of– (a) a person who was, at the time the security or charge was created a director of the company or a nominee or relative of or a trustee for a relative of a director of the company; (b) a person or a relative of a person who at the time when the security or charge was created had control of the company; (c) another company that was when the security or charge was created controlled by a director of the company or a nominee or relative of or a trustee for a relative of a director of the company; (d) another company that at the time when the security or charge was created was a related company, shall so far as any security on the property or undertaking is conferred be set aside as against the liquidator of the company if the court considers that having regard to the circumstances in which the security or charge was created the conduct of the person relative company or related company as the case may be in relation to the affairs of the company and any other relevant circumstances it is just and equitable to make the order. (2) Subsection (1) does not apply to a security or charge that has been transferred by the person in whose favour it was originally created and has been purchased by another person (whether or not from the first mentioned person) if– (a) at the time of the purchase, the purchaser was not a person specified in any of paragraphs (a) to (d) of that subsection; and (b) the purchase was made in good faith and for valuable consideration.

	(3) The court may make such other orders as it thinks proper for the purpose of giving effect to an order under this section.

Pooling of assets of related companies	628. (1) On the application of the liquidator, a creditor or share-assets of holder, the court, if satisfied that it is just and equitable to do so, may order that- (a) a company that is, or has been, related to the company in liquidation shall pay to the liquidator the whole or part of any or all of the claims made in the liquidation; (b) where two or more related companies are in liquidation, the liquidations in respect of each company must proceed together as if they were one company to the extent that the court so orders and subject to such terms and conditions as the court may impose. (2) The court may make other orders or give such directions to facilitate giving effect to an order under subsection (1) as it thinks fit.
Guidelines for orders.	629. (1) In deciding whether it is just and equitable to make an order under paragraph (a) of subsection (1) of section 447, the court shall have regard to the following matters:- (a) the extent to which the related company took part in the management of the company in liquidation; (b) the conduct of the related company towards the creditors of the company in liquidation; (c) the extent to which the circumstances that gave rise to the liquidation of the company are attributable to the actions of the related company; (d) the extent to which the businesses of the companies have been combined; (e) such other matters as the court thinks fit.

	(3) The fact that creditors of a company in liquidation relied on the fact that another company is, or was, related to it is not a ground for making an order under section 447.

Assetless Companies Fund.	630.(1) The Board shall establish a fund to be called the Assetless Companies Fund, in this section called 'the Fund.' (2) The Board may invest money forming part of the Fund in such a manner as it thinks fit. (3) The Fund shall consist of– (a) all contributions paid under subsection (5); (b) all interest received from the investment of money forming part of the Fund; and (c) any other money lawfully paid into the Fund. (4) There shall be paid out of the Fund– (a) the expenses of maintaining and administering the Fund; and (b) the amounts advanced from the Fund under subsection (6). (5) A company that lodges an annual return shall pay to the Board, at the time of lodging the return, such fee by way of contribution to the Fund as may be prescribed (6) Where a company in liquidation does not have unencumbered assets immediately available to the liquidator of a value greater than NLe10,000 or other prescribed amount (an "assetless company"), the Board may make one or more advances from the Fund under this section, if it is satisfied that it would be in the interests of the company's creditors or shareholders, or both, for the liquidator to– (a) make inquiries concerning the business, property, affairs or entitlements of the company; or (b) bring, continue or defend proceedings relating to the business, property or affairs of the company, for the purpose of recovering, retaining or realising the company's assets.

	(7) Advances from the Fund under this section shall be of such amount as the Board determines, having regard to the proposals of the liquidator for the conduct of the proceedings or the inquiry, and may be made in relation to any one or more stages of the proceedings or the inquiry, and on such terms and conditions as the Board thinks fit. (8) Advances from the Fund may include an amount to meet any costs awarded against the liquidator. (9) Where an advance has been authorised by the Board under subsection (6), the Board has, in the liquidation of the company concerned, a claim to be repaid the amount of that advance. (10) The Board's claim under subsection (9) shall be treated as an expense properly incurred by the liquidator under this Act.

Effect of floating charge.	631.(1) Where a company is being wound up, a floating charge on the undertaking or property of the company created within 6 months of the commencement of the winding up shall, unless it is proved that the company immediately after the creation of the charge was solvent, be invalid, except to the amount of any cash paid to the company at the time of or subsequent to the creation of, and in consideration for, the charge, together with interest on that amount. (2) Interest under subsection (1) shall be at prevailing bank rate.

Disclaimer of onerous property.	632. (1) Where any part of the property of a company which is being wound up consists of land of any tenure burdened with onerous covenants, of shares or stock in companies, of unprofitable contracts, or of any other property that is unsaleable or not readily saleable or by reason of its binding the possession to the performance of any onerous act, or to the payment of any sum of money, the liquidator may, with the leave of the court and subject to this section, by writing signed by him, at any time within 12 months after the commencement of the winding up or such extended period as may be allowed by the court, disclaim the property. (2) Where such property has not come to the knowledge of the liquidator within one month after the commencement of the winding up, the power under this section of disclaiming the property may be exercised at any time within 12 months after he has become aware of it or such extended period as may be allowed by the court. (3) The disclaimer shall operate to determine, as from the date of disclaimer, the rights, interest and liabilities of the company, and the property of the company, in or in respect of the property disclaimed, but shall not, except so far as is necessary for the purpose of releasing the company and the property of the company from liability, affect the rights or liabilities of the other person. (4) The court, before or on granting leave to disclaim, may require such notices to be given to persons interested, and impose such terms as a condition of granting leave, and make such other orders in the matter as the court thinks just. (5) The liquidator shall not be entitled to disclaim any property under this section in any case where an application in writing has been made to him by any persons interested in the property requiring him to decide whether he will or will not disclaim, and the liquidator has not, within a period of 28 days after the receipt

	of the application or such further period as may be allowed by the court, given notice to the applicant that he intends to apply to the court for leave to disclaim. (6) In the case of a contract, if the liquidator, after the application, does not, within the period or further period disclaim the contract, the company shall be deemed to have adopted it. (7) The court may, on the application of any person who is, as against the liquidator, entitled to the benefit or subject to the burden of a contract made with the company, make an order rescinding the contract on such terms as to payment by or to either party of damages for the non-performance of the contract, or otherwise as the court thinks just; and any damages payable under the order to the person may be proved by him as a debt in the winding up. (8) The court may, on the application by a person who either claims any interest in any disclaimed property or is under a liability and on hearing such persons as it thinks fit, make an order for the vesting of the property in or to whom it may seem just that the property should be delivered by way of compensation for such liability, or a trustee for him, and on such terms as the court thinks just. (9) On a vesting order being made, the property comprising it shall vest accordingly in the person named in that behalf without any conveyance or assignment for the purpose. (10) Where the property disclaimed is of a leasehold nature, the court shall not make a vesting order in favour of any person claiming under the company, whether as under-lessee or as mortgagee by demise, including a chargee by way of legal mortgage, except upon the terms of making that person– (a) subject to the same liabilities and obligations as those to which the company was subject under the lease in respect of the property at the commencement of the winding up; or

	(b) if the court thinks fit, subject only to the same liabilities and obligations as if the lease had been assigned to that person at that date, and in either event if the case so requires, the liabilities and obligations shall be as if the lease had comprised only the property in the vesting order. (11) If there is no person claiming under the company who is willing to accept an order upon such terms, the court shall have power to vest the property and interest in the property in any person liable either personally or in a representative capacity either alone or jointly with the company to perform the lessee's covenants in the lease, freed and discharged from all estates, incumbrances and interests created in the lease by the company. (12) Any person injured by the operation of a disclaimer under this section shall be deemed to be a creditor of the company to the amount of the injury and may accordingly prove the amount as a debt in the winding-up.

Restriction of rights of creditor in company being wound up.	633. (1) Where a creditor has issued execution against the goods or lands of a company or has attached any debt due to it, and the company is subsequently wound up, he shall not be entitled to retain the benefit of the execution or attachment against the liquidator in the winding up of the company unless he has completed the execution or attachment before the commencement of the winding up; but– (a) where any creditor has had notice of a meeting having been called at which a resolution for voluntary winding-up is to be proposed, the date on which the creditor had the notice shall for the purposes of subsection (1) be substituted for the date of the commencement of the winding up; and (b) a person who purchases in good faith under a sale by the sheriff of any goods of a company on which execution has been levied shall in all cases acquire a good title to them against the liquidator. (2) For the purposes of this section– (a) an execution against goods shall be taken to be completed by seizure and sale; (b) an attachment of a debt shall be deemed to be completed by receipt of the debt; and (c) execution against land shall be deemed to be completed by seizure and, in the case of an equitable interest, by the appointment of a receiver. (3) In this section the expression “goods” includes all chattels personal, and the expression “sheriff” includes any officer charged with the execution of a writ or other process.

Duties of sheriff as to goods taken in execution.	634.(1) Where any goods of a company are taken in execution, and, before the sale or completion of the execution by the receipt or recovery of the full amount of the levy, the Sheriff is notified in writing that a provisional liquidator has been appointed or that a winding-up order has been made or that a resolution for voluntary winding-up has been passed, the Sheriff shall, on being so required, deliver the goods and any money seized or received in part satisfaction of the execution to the liquidator; but the costs of the execution shall be a first charge on the goods, or money so delivered and the liquidator may sell the goods, or sufficient part of them, for the purpose of satisfying that charge. (2) Where under an execution in respect of a judgement for a sum exceeding NLe3,000 the goods of a company are sold or money is paid in order to avoid the sale, the Sheriff shall deduct the costs of the execution from the proceeds of the sale or the money paid and retain the balance for 14 days. (3) If within the time notice is served on the Sheriff of a petition for the winding-up of the company having been presented or of a meeting having been called at which there is to be proposed a resolution for the voluntary winding up of the company and an order is made or a resolution is passed, as the case may be, for the winding up of the company, the Sheriff shall pay the balance to the liquidator, who shall be entitled to retain it as against the execution creditor. (4) The rights conferred by this section on the liquidator may be set aside by the court in favour of the creditor to such extent and subject to such terms as the court thinks fit. (5) In this section the expression “goods” includes all chattels personal, and the expression “Sheriff” includes any officer charged with execution of a writ or other process.
	Offences antecedent to or in course of winding up.

Offences by officers of companies in liquidation.	635.(1) If any person, being a past or present director, manager or other officer of a company which at the time of the Board of the alleged offence is being wound up, whether by or under the supervision of the court or voluntarily, or is subsequently ordered to be wound up by the court or subsequently passes a resolution for voluntary winding up– (a) does not to the best of his knowledge and belief fully and truly disclose to the liquidator all the property, real and personal, of the company, and how and to whom and for what consideration and when the company disposed of any part thereof, except such part as has been disposed of in the ordinary way of the business of the company; (b) does not deliver up to the liquidator, or as he directs, all such part of the real and personal property of the company as is in his custody or under his control, and which he is required by law to deliver up; (c) does not deliver up to the liquidator, or as he directs, all books and papers in his custody or under his control belonging to the company and which he is required by law to deliver up; (d) within 12 months before the commencement of the winding up or at any time after that conceals any part of the property of the company to the value of NLe8,000 or more or conceals any debt due to or from the company; (e) within 12 months before the commencement of the winding up or at any time after that fraudulently removes any part of the property of the company; (f) makes any material omission in any statement relating to the affairs of the company; (g) knowing or believing that a false debt has been proved by any person under the winding up, fails for the period of a month to inform the liquidator;

	(h)after the commencement of the winding-up prevents the production of any book or paper affecting or relating to the property or affairs of the company; (i)within 12 months before the commencement of the winding-up or at any time thereafter, conceals, destroys, mutilates or falsifies, or is privy to the concealment, destruction, mutilation or falsification of, any book or paper affecting or relating to the property or affairs of the company; (j)within 12 months before the commencement of the winding up or at any time after that makes or is privy to the making of any false entry in any book or paper affecting or relating to the property or affairs of the company; (k) within 12 months before the commencement of the winding up or at any time after that fraudulently parts with, alters, or makes any omission in, is privy to the fraudulent parting with, altering or making any omission in, any document affecting or relating to the property or affairs of the company; (l)after commencement of the winding up or at any meeting of the creditors of the company within 12 months next before the commencement of the winding up attempts to account for any part of the property of the company by fictitious losses or expenses; (m)has within 12 months before the commencement of the winding up or at any time after that by any false representation or other fraud, obtained any property for or on behalf of the company on credit which the company does not subsequently pay for; (n)within 12 months before the commencement of the winding-up or at any time after that, under the false pretence that the company is carrying on its business, obtains on credit, for or on behalf of the company, any property which the company does not subsequently pay for;

	(o) within 12 months before the commencement of the winding-up or at any time after that pawns, pledges, or disposes of any property of the company which has been obtained on credit and has not been paid for, unless such pawning, pledging, or disposal is in the ordinary way of the business of the company, or (p) by any false representation or other fraud obtains the consent of the creditors of the company or any of them to an agreement with reference to the affairs of the company or to the winding up, shall be guilty of an offence, and in the case of the offences in paragraphs (m), (n) and (o) be liable to imprisonment for a term, and in the case of any other offence shall be liable to imprisonment for a term. (2) It shall be a valid defence– (a) to a charge under paragraphs (a), (b), (c), (d), (f), (n) and (o) of subsection (1), if the accused person proves that he had no intent to defraud; and (b) to a charge under paragraphs (h), (i) and (j) of subsection (1) if he proves that he had no intent to conceal the state of affairs of the company or to defeat the law. (3) Where any person pawns, pledges or disposes of any property in circumstances which amount to an offence under paragraph (o) of subsection (1), any person who takes in pawn, or pledge or otherwise receives the property knowing it to be pawned, pledged, or disposed of in such circumstances shall be guilty of an offence, and shall be liable to be punished in the same way as if he had received the property knowing it to have been obtained in circumstances amounting to a misdemeanour. (4) For the purposes of this section, the expression “director” shall include any person in accordance with whose directions or instructions the directors of a company are accustomed to act and “past director” means a person who was a director 12 months before the commencement of the winding up.

Penalty for falsification of books	636.Any director, manager or other officer, or contributory of any company being wound up who- (a) destroys, mutilates, alters or falsifies any books, papers or securities: or (b) makes or is privy to the making of any false or fraudulent entry in any register, book of account or document belonging to the company with intent to defraud or deceive any person, shall be guilty of an offence and be liable to a term of imprisonment.
Fraud by officers of companies which have gone into liquidation.	637. (1) Where a company is ordered to be wound up by a court or passes a resolution for voluntary winding up, a person is deemed to have committed an offence if he, being a director, manager or other officer of the company with intent to defraud- (a) creditors of the company, has made or causes to be made any gift or transfer of or charge on or has caused or connived at the levying of any execution; (b) conceals or removes any part of the company's property since or within 2 months before the date of any unsatisfied judgement or order for the payment of money obtained against the company; or (c) has by false pretences or by means of any other fraud induced any person to give credit to the company. (2) Any person convicted under subsection (1) shall be liable to a term of imprisonment.

Liability where proper accounts are not kept.	638. (1) If, where a company is being wound up it is shown that proper books of account were not kept by the company throughout the period of 2 years preceding the commencement of the winding-up, every director, or manager or other officer of the company who was knowingly a party to or connived at the default of the company, unless he shows that he acted honestly or that in the circumstances in which the business of the company was carried on the default was excusable, shall be guilty of an offence and be liable to a term of imprisonment. (2) For the purposes of this section, proper books of account shall be deemed not to have been kept in the case of any company- (a) if there have not been kept such books or accounts as are necessary to exhibit and explain the transactions and financial position of the trade or business of the company, including books containing entries from day to day in sufficient detail of all cash received and cash paid; and, (b) where the trade or business has involved dealings in goods, statements of the annual stock-takings and, except in the case of goods sold by way of ordinary retail trade, of goods sold and purchased, showing the goods and buyers and sellers thereof in sufficient detail to enable those goods and those buyers and sellers to be identified.

Responsibility of directors for fraudulent trading.	639.(1) If in the course of the winding up of a company it appears that any business of the company has been carried on with intent to defraud creditors of the company for any fraudulent purpose, the court, on the application of the official receiver, or the liquidator or any creditor or contributory of the company, may, if it thinks proper, declare that any of the directors, whether past or present, of the company who were knowingly parties to the carrying on of the business in the manner mentioned in this subsection shall be personally responsible, without any limitation of liability, for all or any of the debts or other liabilities of the company as the court may direct. (2) On the hearing of the application, the official receiver or the liquidator, as the case may be, may himself give evidence or call witnesses. (3) Where the court makes such a declaration, it may give such further directions as it thinks proper for the purpose of giving effect to that declaration, and in particular may- (a) provide for making the liability of such a director under the declaration, a charge on any debt or obligation due from the company to him, or on any mortgage or charge or any interest in any mortgage or charge on any assets of the company held by or vested in him, or any company or person on his behalf, or any person claiming as assignee from or through the director, company or person; and (b) from time to time make such further orders as may be necessary for the purpose of enforcing any charge imposed under this subsection. (4) For the purposes of subsection (3), the expression “assignee” includes– (a) any person to whom or in whose favour, by the directions of the director, the debt, obligation, mortgage or charge was created, issued or transferred or the interest created; but

	(b) does not include an assignee for valuable consideration (not including consideration by way of marriage) given in good faith and without notice of any of the matters on the ground of which the declaration is made. (5) Where any business of a company is carried on with intent to defraud or for such purpose as is mentioned in subsection (1), every director of the company who was knowingly a party to the carrying on of the business in the manner mentioned shall be guilty of an offence and be liable on conviction to a term of imprisonment not exceeding one year. (6) The court may– (a) in the case of any person in respect of whom a declaration has been made under subsection (1) or who has been convicted of an offence under subsection (5), order that that person shall not, without the leave of the court, be a director of or in any way, whether directly or indirectly, be concerned in or take part in the management of a company for such period, not exceeding 5 years, from the date of the declaration or of the conviction, as the case may be; and (b) if any person acts in contravention of an order made under this subsection he shall, in respect of each offence, be liable on conviction to a fine or to a term of imprisonment, or to both the fine and imprisonment. (7) In subsection (6) the expression “the court”– (a) in relation to the making of an order, means the court by which the declaration was made or the court before which the person was convicted as the case may be; or (b) in relation to the granting of leave means any court having jurisdiction to wind up the company.

	(8) For the purposes of this section, the expression “director” shall include any person in accordance with whose directions or instructions the directors of a company have been accustomed to act.

Power of court to assess damages against delinquent directors.	640.(1) If in the course of winding-up a company it appears that any person who has taken part in the formation or promotion of the company or any past or present director, manager or liquidator or any officer of the company, has misapplied or retained or become liable or accountable for any money or property of the company, or been guilty of any misfeasance or breach of trust in relation to the company, the court may, on the application of the official receiver, or of the liquidator, or of any creditor or contributory, examine the conduct of the promoter, director, manager, liquidator or officer, and compel him to- (a) repay or restore the money or property or any part thereof respectively with interest at such rate as the court thinks just; or (b) contribute such sum to the assets of the company by way of compensation in respect of the misapplication, retainer, misfeasance or breach of trust as the court thinks just. (2) This section shall have effect notwithstanding that the offence is one for which the offender may be criminally liable. (3) Where in the case of a winding-up an order for payment of money is made under this section, the order shall be deemed to be a final judgment against the person against whom the order is made.

Prosecution of delinquent officers and members of the company.	641.(1) If it appears to the court in the course of a winding up by, or subject to the supervision of, the court that any past or present director, manager or other officer, or any member of the company has committed an offence in relation to the company for which he is criminally liable, the court may, either on the application of the person interested in the winding up or of its own motion, direct the liquidator either himself to prosecute the offender or to refer the matter to the Attorney-General. (2) If it appears to the liquidator in the course of a voluntary winding up that any past or present director, manager or other officer, or any member, of the company has committed any offence in relation to the company for which he is criminally liable he shall– (a) forthwith report the matter to the Attorney- General; and (b) furnish to the Attorney-General such information and give to him such access to and facilities for inspecting and taking copies of any documents, being information or documents in the possession or under the control of the liquidator and relating to the matter in question, as he may require. (3) Where any report is made under subsection (2) to the Attorney-General he may, if he thinks fit, apply to the court for an order conferring on him or any person designated by him for the purpose with respect to the company concerned, all such powers of investigating the affairs of the company as are provided by this Act in the case of a winding up by the court. (4) If, on any report to the Attorney-General under subsection (2) it appears to him that the case is not one in which proceedings ought to be taken by him, he shall inform the liquidator accordingly, and then, subject to the approval of the court, the liquidator may himself take proceedings against the offender. (5) If it appears to the court in the course of a voluntary winding up that any past or present director, manager or other officer, or

	any member, of the company has committed an offence, and that no report with respect to the matter has been made by the liquidator to the Attorney-General under subsection (2) the court may, on the application of any person interested in the winding up or of its own motion, direct the liquidator to make such a report; and on a report being made this section shall have effect as though the report had been made in pursuance of subsection (2). (6) If, where any matter is reported or referred to the Attorney-General, he considers– (a) that the case is one in which a prosecution ought to be instituted; and (b) that it is desirable in the public interest that the proceedings in the prosecution should be conducted by him, he shall institute proceedings accordingly, and it shall be the duty of the liquidator and of every officer and agent of the company past and present (other than the defendant in the proceedings) to give him all assistance in connection with the prosecution which he is reasonably able to give. (7) For the purposes of subsection (6), the expression “agent” in relation to a company shall include any banker or solicitor of the company and any person employed by the company as auditor, whether that person is or is not an officer of the company. (8) If any person fails or neglects to give assistance in the manner required by subsection (7)– (a) the court may, on the application of the Attorney-General, direct that person to comply with the requirements of that subsection; and (b) where an application is made with respect to a liquidator the court may, unless it appears that the failure or neglect to comply was due to the liquidator not having in his hands sufficient assets

	of the company to enable him to do so, direct that the costs of the application shall be borne by the liquidator personally. (9) The Minister may direct that the whole or any part of any costs and expenses properly incurred by the liquidator in proceedings duly brought by him under this section shall be defrayed out of the Consolidated Fund. (10) Subject to any direction under subsection (9) and to mortgages or charges on the assets of the company and any debts to which priority is given by section 154 all costs and expenses shall be payable out of those assets in priority to all other liabilities payable. (11) In this section, “Attorney-General” means Attorney- General and Minister of Justice.

	Supplementary provisions as to winding up
Disqualifications for appointment as liquidator.	642. (1) The following persons shall not be competent to be appointed or to act as liquidator of a company, whether in a winding up by, or under the supervision of the court, or in a voluntary winding up:– (a) a person below the age of 18 years; (b) any person found by the court to be of unsound mind; (c) a body corporate; (d) an undischarged bankrupt; (e) an officer or contributory of the company under liquidation; (f) any person convicted of any offence involving fraud, dishonesty, official corruption or moral turpitude and in respect of whom there is a subsisting order under section 218. (2) An appointment made in contravention of subsection (1) shall be void and if any of the persons named in paragraphs (c), (d), (e), and (f) of that subsection acts as a liquidator of the company he shall be guilty of an offence and be liable to a fine in the case of a body corporate or, in the case of an individual, to imprisonment for a term or to a fine or to both the imprisonment and fine.
Corrupt inducement affecting appointment as liquidator.	643.Any person who gives or agrees or offers to give to any member or creditor of a company any valuable consideration with a view to securing his own appointment or nomination, or to securing or preventing the appointment or nomination of some person other than himself, as the company's liquidator, shall be guilty of an offence and be liable to imprisonment for a term not exceeding one year.

Enforcement of the duty of liquidator to make returns, etc.	644. (1) If a liquidator defaults in filing, delivering or making any return, account or other document, or in giving any notice which he is by law required to file, deliver, make or give, and fails to make good the default within 14 days after the service on him of a notice requiring him to do so, the court may, on the application made to the court by any contributory or creditor of the company or by the Board, make an order directing the liquidator to make good the default within such time as is specified in the order. (2) Any order under this section may provide that the costs of any expenses incidental to the application shall be borne by the liquidator and nothing in this section shall be taken to prejudice the operation of any enactment imposing penalties on a liquidator in respect of the default.
Notification that company is in liquidation.	645. (1) Where a company is being wound up, whether by or under the supervision of the court or voluntarily, every invoice, order for goods or business letter issued by or on behalf of the company or a liquidator of the company, or a receiver or manager of the property of the company, being a document on or in which the name of the company appears, shall contain a statement that the company is being wound up. (2) If default is made in complying with this section, the company and every director, manager, secretary or other officer of the company, and every liquidator of the company and every receiver or manager, who knowingly and wilfully authorises or permits the default commits an offence and is liable on conviction to a fine or to a term of imprisonment or to both the fine and imprisonment.

Exemption of certain documents from stamp duty on winding up of companies.	646.(1) In the case of a winding up by the court, or of a creditors' voluntary winding up of a company– (a) every assurance relating solely to freehold or leasehold property, or to any mortgage, charge or other encumbrance on, or any estate, right or interest in, any real or personal property, which forms part of the assets of the company and which, after the execution of the assurance, either at law or in equity, is or remains part of the assets of the company; and (b) every power of attorney, proxy paper, writ, order, certificate, affidavit, bond or other instrument or writing relating solely to the property of any company which is being so wound up, or to any proceeding under such a winding up, shall be exempt from duties chargeable under the Stamp Duty Act. (2) In this section the expression "assurance" includes deed, transfer, assignment and surrender.

Books of company to be evidence.	647. Where a company is being wound up, and is about to be dissolved, the books and papers of the company and of the liquidators may be disposed of as follows:– (a) in the case of a winding up by, or subject to the supervision of, the court in such way as the court directs; (b) in the case of a members' voluntary winding up, in such way as the company by special resolution directs; and (c) in the case of a creditors' voluntary winding up, in such a way as the committee of inspection or, if there is no committee, as the creditors of the company, may direct. (2) After 5 years from the dissolution of the company no responsibility shall rest on the company, the liquidators, or any person to whom the custody of the books and papers has been committed, by reason of any book or paper not being forthcoming to any person claiming to be interested in it. (3) The Minister may, by statutory instrument, make rules to prevent, for any period not exceeding five years from the dissolution of the company, the destruction of the books and papers of a company which has been wound up, and for enabling any creditor or contributory of the company to appeal to the court from any direction which may be given in the matter.

Information as to pending liquidations.	648. (1) If, where a company is being wound up the winding up is not concluded within one year after its commencement, the liquidator shall, at such intervals as may be prescribed, until the winding-up is concluded, send to the Board a statement in the prescribed form and containing the prescribed particulars with respect to the proceedings in and position of the liquidation. (2) Any person stating himself in writing to be a creditor or contributory of the company shall be entitled, by himself or by his agent, at all reasonable times, on payment of the prescribed fee, to inspect the statement, and to receive a copy of it or extract from it. (3) If a liquidator fails to comply with this section, he shall be guilty of an offence and be liable to a fine for each day during which the default continues, and any person untruthfully stating himself to be a creditor or contributory shall be guilty of an offence and be liable to a fine.

Unclaimed assets to be paid into the Companies Liquidation Account.	649. (1) If, where a company is being wound up, it appears either from any statement sent to the Board under section 467, or otherwise that a liquidator has in his hands or under his control any money representing unclaimed or undistributed assets of the company which have remained unclaimed or undistributed for 6 months after the date of their receipt, the liquidator shall forthwith pay the money into the Companies Liquidation Account, and shall be entitled to the prescribed certificate of receipt for the money so paid; and that certificate shall be an effectual discharge to him. (2) For the purpose of ascertaining and getting in any money payable to the Board in pursuance of this section, the same powers may be exercised, and by the same authority, as are exercisable under any enactment regarding bankruptcies for the purpose of ascertaining and getting in the sums, funds and dividends referred to in this section. (3) Any person claiming to be entitled to any money paid to the Board in pursuance of this section may apply to the Board for payment, and the Board may, on a certificate by the liquidator that the person claiming is entitled, make an order for the payment to that person of the sum due. (4) Any person dissatisfied with the decision of the Board in respect of any claim made in pursuance of this section may appeal to the court.
Resolutions passed at adjourned meetings of creditors and contributories	650. Where after the commencement of this Act a resolution is passed at an adjourned meeting of any creditors or contributories of a company, the resolution shall, for all purposes, be treated as having been passed on the date on which it was in fact passed, and shall not be deemed to have been passed on any earlier date.
	Supplementary powers of court

Meetings to ascertain wishes of creditors or contributories.	651. (1) The court may– (a) as to all matters relating to the winding up of a company, have regard to the wish of the creditors or contributories of the company, as proved to it by any sufficient evidence; and (b) if it thinks fit, for the purpose of ascertaining those wishes, direct meetings of the creditors or contributories to be called, held and conducted in such manner as the court directs, and may appoint a person to act as chairman of such meeting and to report the result to the court. (2) In the case of creditors, regard shall be had to the value of each creditor's debt. (3) In the case of contributories, regard shall be had to the number of votes conferred on each contributory by this Act or the articles.
Affidavits, etc., in Sierra Leone and elsewhere.	652.(1) An affidavit required to be sworn under or for the purposes of this Part may be sworn in Sierra Leone or elsewhere in accordance with the Statutory Declarations Act, 1835 or under any enactment providing for the making of an affidavit. (2) All courts, judges, justices, Boarders and persons acting judicially in Sierra Leone shall take judicial notice of the seal or stamp or signature, as the case may be, of such court, judge, person, consul or vice-consul attached, appended or subscribed to such an affidavit, or to any other document to be used for the purposes of this Part.
Judicial notice of signature of officers.	653.In all proceedings under this Part, all courts, judges and persons acting judicially, and all officers, judicial or ministerial, of any court or employed in enforcing the process of the court, shall take judicial notice of the signature of any officer of the court and also of the official seal or stamp of the court appended to or

	impressed on any document made, issued or signed under this Part, or on any official copy of such a document.
Power of court to declare dissolution of company void.	654.(1) Where a company has been dissolved, the court may, at any time within 2 years of the date of the dissolution, on an application being made for the purpose by the liquidator of the company or by any other person who appears to the court to be interested, make an order, upon such terms as the court thinks fit, declaring the dissolution to have been void. (2) Thereupon such proceedings may be taken as might have been taken if the company had not been dissolved. (3) It shall be the duty of the person on whose application the order was made, within 7 days after the making of the order, or such further time as the court may allow, to deliver to the Board for registration an office copy of the order and if that person fails to do so he shall be guilty an offence and be liable to a fine for each day during which the default continues.

Board to strike defunct company off register.	655.(1) If the Board has reasonable cause to believe that a company is not carrying on business or is not in operation, it may send to the company by post or deliver a letter enquiring whether the company is carrying on business or is in operation. (2) If the Board does not, within one month of sending the letter receive any answer to the letter, it shall, within 14 days after the expiration of the month send to the company by post a registered letter referring to the first letter, and stating that no answer thereto has been received, and that if an answer is not received to the second letter within one month from the date of sending the letter a notice will be published in the Gazette and in at least two local newspapers with wide circulation with a view to striking the name of the company off the register. (3) If the Board either receives an answer to the effect that the company is not carrying on business or is not in operation, or does not within one month after sending the second letter receive any answer, it may publish in the Gazette and in at least two local newspapers with wide circulation, and send to the company by post, a notice that at the expiration of three months from the date of that notice the name of the company mentioned in the letter will, unless cause is shown to the contrary, be struck off the register and the company will be dissolved. (4) If, in a case where a company is being wound up, the Board has reasonable cause to believe either that no liquidator is acting, or that the affairs of the company are fully wound up, and the returns required to be made by the liquidator have not been made for a period of six consecutive months, it shall publish in the Gazette and in at least two local newspapers with wide circulation and send to the company or the liquidator, if any, a notice as is provided in subsection (3). (5) At the expiration of the time mentioned in the notice, the Board may, unless cause to the contrary is previously shown by the company, strike its name off the register, and shall publish notice

	of it in the Gazette and in at least two local newspapers with wide circulation, and on the publication in the Gazette of this notice the company shall be dissolved: Provided that– (a) the liability, if any, of every director, manager officer, and member of the company shall continue and may be enforced as if the company had not been dissolved; and (b) nothing in this subsection shall affect the power of the court to wind up a company whose name has been struck off the register. (6) If a company or any member or creditor thereof feels aggrieved by the company having been struck off the register, the court on an application made by the company or member or creditor before the expiration of 20 years from the publication in the Gazette and in at two local newspapers with wide circulation may, if satisfied that the company was at the time of the striking off carrying on business or in operation or otherwise that it is just that the company be restored to the register, order the name of the company to be restored to the register. (7) On a certified copy of the order being delivered to the Board for registration, the company shall be deemed to have continued in existence as if its name had not been struck off. (8) The court may, by order, give such directions and make such provisions as it thinks just for placing the company and all other persons in the same position as nearly as may be as if the name of the company had not been struck off. (9) A notice to be sent under this section to a liquidator may be addressed to the liquidator at his last known place of business; and a letter or notice to be sent under this section to a company may be addressed to the company at its registered office, or, if no office has been registered, to the care of some director or officer of the company.

	(10) If there is no director or officer of the company whose name and address are known to the Board, the notice may be sent to each of the persons who subscribed the memorandum, addressed to him at the address mentioned in the memorandum.

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Property of dissolved company to be bona vacantia	656.Where a company is dissolved, all property and rights whatsoever vested in or held in trust for the company immediately before its dissolution(including leasehold property but not including property held by the company in trust for any other person) shall, subject and without prejudice to any order which may at any time be made by the court under sections 473 and 474, be deemed to be bona vacantia.
	Returns by officers of court
Returns by officers in winding up.	657. The officers of the court acting in the winding up of companies shall make to the Board such returns of the business of their respective courts and offices, at such times, and in such manner and form as may be prescribed, and from those returns the Board shall cause books to be prepared which shall be opened for public information and searches.
	Accounts to be prepared annually
Annual accounts of company winding up and disposal.	658.The Board and every officer by whom fees are taken under this Act in relation to the winding up of companies shall make returns and give information to the Auditor-General in such form as he may require; and the accounts of the Board relating to the winding up of companies shall be audited as soon as may be after the end of each year by the Auditor-General or an auditor appointed by him.
	Rescue and Restructuring Procedures

Administration for the purpose of business rescue	659.(1) A company that is insolvent, or is likely to become insolvent, may be placed into administration for the purpose of– (a) rescuing the company as a going concern; or (b) achieving a better result for creditors as a whole than would be achieved on immediate winding up. (2) Administration may be commenced by– (a) an order of the Court on the application of the company, its directors, or a creditor; (b) a resolution of the board of directors; or (c) the appointment of an administrator by a qualifying secured creditor, in the prescribed manner. (3) An administrator shall be a qualified insolvency practitioner appointed in accordance with this Act. (4) On appointment, the administrator assumes control of the company's business, property, and affairs.
Effect of administration and moratorium	660. (1) On the commencement of administration, a moratorium takes effect. (2) During the moratorium– (a) no winding up proceedings may be commenced or continued; (b) no step may be taken to enforce security or repossess property; (c) no legal proceedings may be commenced or continued against the company; and (d) no right of forfeiture may be exercised, except with the leave of the Court. (3) The moratorium does not prevent– (a) the commencement of criminal proceedings; or (b) actions necessary to preserve perishable property. (4) The moratorium shall remain in force for the prescribed period, subject to extension by the Court.

Powers and duties of the administrator	661.(1) The administrator shall– (a) act in the interests of creditors as a whole; (b) investigate the affairs of the company; and (c) formulate proposals for rescue or restructuring. (2) The administrator has power to– (a) carry on the business of the company; (b) dispose of property; (c) raise finance; and (d) do all things necessary for the performance of duties. (3) The administrator shall report to creditors within the prescribed period.
Company voluntary arrangements	662.(1) A company may propose a voluntary arrangement between the company and its creditors. (2) A proposal under subsection (1) may be made by– (a) the directors; (b) the administrator; or (c) a liquidator. (3) The proposal shall be approved if supported by the prescribed majority in value of creditors voting. (4) An approved voluntary arrangement binds all creditors entitled to vote. (5) The Court may revoke or vary an arrangement where it is unfairly prejudicial.

Court-supervised restructuring plans	663.(1) A company may apply to the Court for approval of a restructuring plan. (2) A restructuring plan may provide for– (a) compromise of debts; (b) rescheduling of liabilities; (c) conversion of debt to equity; or (d) sale of all or part of the business. (3) The Court may approve a plan where– (a) the plan is fair and reasonable; (b) affected classes of creditors have been properly consulted; and (c) dissenting creditors are not worse off than in liquidation. (4) An approved plan binds all affected parties.
Protection of secured creditors and priority	664.(1) Nothing in this Part deprives a secured creditor of priority except as expressly provided by law. (2) The Court may permit limited interference with enforcement where necessary to achieve rescue. (3) New financing approved during administration may be granted priority status in accordance with regulations. (4) Registration and priority of security interests shall comply with Part VIII.

Wrongful trading and director conduct	665.(1) A director who knew, or ought reasonably to have known, that there was no reasonable prospect of avoiding insolvent liquidation, and failed to take reasonable steps to minimise loss to creditors, is liable for wrongful trading. (2) In determining liability, the Court shall consider whether the director– (a) sought professional advice; (b) pursued rescue or restructuring; and (c) acted honestly and responsibly. (3) The Court may order contribution, disqualification, or other relief.
Cross-border insolvency cooperation	666.(1) The Court may cooperate with foreign courts or insolvency representatives in cross-border insolvency matters. (2) Cooperation may include– (a) sharing information; (b) coordination of proceedings; and (c) recognition of foreign proceedings. (3) Detailed rules may be prescribed.
Interaction with winding up	667.(1) Where rescue efforts fail, the company may proceed to winding up. (2) The administrator may apply for conversion to liquidation. (3) Acts done in good faith during administration remain valid.
Information, meetings, and creditor participation	668. (1) The administrator shall convene creditor meetings where required. (2) Meetings may be held electronically. (3) Creditors may vote electronically in the prescribed manner.

Offences relating to rescue proceedings	669.(1) A person commits an offence if the person– (a) conceals property; (b) falsifies records; or (c) obstructs an administrator. (2) An offence under this section is punishable by the prescribed penalty.
	LIMITED LIABILITY PARTNERSHIP WINDING UP AND DISSOLIUTION
Winding up of Limited Liability Enterprise	670.The winding-up of a limited liability partnership may be either voluntary or by the Court and limited liability partnership, so wound up may be dissolved.
Circumstances in which limited liability partnership may be wound up by the Court.	671. A limited liability partnership may be wound up by the Court if— (a) all the partners decide that the limited liability partnership be so wound up by the Court; (b) for a period of more than six months, the number of partners of the limited liability partnership falls below two; (c) the limited liability partnership is unable to pay its debts; (d) the limited liability partnership has acted against the interests of the sovereignty and integrity of Sierra Leone or against her security or public order. (e) the limited liability partnership has made a default in filing with the Board, the Statement of Account and Solvency or annual return for any 10 consecutive financial years; or (f) the Court is of the opinion that it is just and equitable that the limited liability partnership be wound up

	PART XXI–ARRANGEMENTS AND COMPROMISES

Power to compromise with creditors and members	672.(1) Where a compromise or arrangement is proposed between a company and its creditors or any class of them, or between the company and its members or any class of them, the court may- i. on the application in a summary way of the company or of any creditor or member of the company; or ii. in the case of a company being wound up, the liquidator may order a meeting of the creditors or class of creditors or of the members of the company or class of members, as the case may be, to be summoned in such manner as the court may direct. (2) If three-fourths of the creditors in value or class of creditors or members or class of members, as the case may be, present and voting either in person or by proxy at the meeting, agree to any compromise or arrangement, the compromise or arrangement shall, if sanctioned by the court, be binding on– b. all the creditors or class of creditors; c. the members or class of members; d. the company or, in the case of a company being wound up, on the liquidator and contributories of the company. (3) An order made under subsection (2) shall have no effect until a certified copy of the order has been delivered to the Board for registration. (4) A copy of every order shall be annexed to every copy of the memorandum of the company issued after the order has been made, or, in the case of a company not having a memorandum, of every copy so issued of the instrument constituting or defining the constitution of the company. (5) If a company defaults in complying with subsection (4), the company and every officer of the company who is in default shall

	be guilty of an offence and be liable to a fine for each day in which the default continues. (6) In this section, the expression– e. “company” means any company liable to be wound up under this Act; and (b) “arrangement” includes a reorganisation of the share capital of the company by the consolidation of shares of different classes, or by the division of shares into shares of different classes or by both those methods.

Information on compromise to be circulated.	673.(1) Where a meeting of creditors or class of creditors or of members or any class of members are summoned, every notice summoning the meeting sent to a creditor or member shall be accompanied with– a. a statement explaining the effect of the compromise or arrangement and, in particular, stating any material interests of the directors of the company, whether as directors, members or creditors of the company or otherwise; and b. the effect of the compromise or arrangement on those interests, in so far as it is different from the effect on similar interests of other persons. (2) In every notice summoning the meeting which is given by advertisement, there shall be included such a statement as is mentioned in subsection (1) or a notification of the place at which, and the manner in which, creditors or members entitled to attend the meeting may obtain copies of the statement. (3) Where the compromise or arrangement affects the rights of debenture holders of the company, the statement shall give the same explanation in respect of the trustees of any deed for securing the issue of the debentures as it is required to give in respect of the directors of the company. (4) Where a notice given by advertisement includes a notification that copies of a statement explaining the effect of the compromise or arrangement can be obtained by creditors or members entitled to attend the meeting, every creditor or member shall, on making the application in the manner indicated by the notice, be furnished by the company free of charge with a copy of the statement. (5) If a company defaults in complying with any requirement of this section, the company and every officer of the company shall be guilty of an offence and be liable on conviction to a fine.

	(6) For the purposes of subsection (5), a liquidator of the company and a trustee of a deed for securing the issue of debentures of the company shall be deemed to be officers of the company. (7) No person shall be liable under subsection (5) if he shows that the default was due to the refusal of another person, being a director or trustee for debenture holders, to supply the necessary particulars of his interest. (8) It is the duty of any director of the company and of any trustee for its debenture holders to give notice to the company of such matters relating to himself as may be necessary for the purposes of this section, and any person who defaults in complying with this subsection shall be guilty of an offence and be liable on conviction to a fine.

Provisions for facilitating reconstruction and amalgamation of companies.	674. (1) Where an application is made to the court under section 450 for the sanctioning of a compromise or arrangement proposed between a company and such persons as are mentioned in that section, and it is shown to the court that– a. the compromise or arrangement has been proposed for the purposes of or in connection with a scheme for the reconstruction of any company or companies or the amalgamation of any two or more companies; and b. that under the scheme the whole or any part of the undertaking or the property of any company concerned in the scheme (in this section referred to as "a transferor company") is to be transferred to another company (in this section referred to as "the transferee company"), the court may, either by the order sanctioning the compromise or arrangement or by any subsequent order, make provision for all or any of the following matters:– (i)the transfer to the transferee company of the whole or any part of the undertaking and of the property or liabilities of any transferor company; (ii) the allotting or appropriation by the transferee company of any shares, debentures, policies or other similar interests in that company which under the compromise or arrangement are to be allotted or appropriated by that company to or for any person; (iii) the continuation by or against the transferee company of any legal proceedings pending by or against any transferor company; (iv)the dissolution, without winding up, of any transferor company; (v) the provision to be made for any persons who, within such time and in such manner as the court directs, dissent from the compromise or arrangement;

	(vi) such incidental, consequential and supplemental matters as are necessary to secure that the reconstruction or amalgamation shall be fully and effectively carried out. (2) Where an order under this section provides for the transfer of property or liabilities, then– (a)that property shall, by virtue of the order, be transferred to and vest in; and (b)those liabilities shall, by virtue of the order, be transferred to and become the liabilities of the transferee company, and in the case of any property, if the order so directs, freed from any charge which is by virtue of the compromise or arrangement to cease to have effect. (3)Where an order is made under this section, every company in relation to which the order is made shall cause a certified copy thereof to be delivered to the Board for registration within 7 days after the making of the order; and if default is made in complying with this subsection, the company and every officer of the company who is in default shall be liable to a fine for each day that the default continues. (4) In this section, the expression “property” includes property rights and powers of every description, and the expression “liabilities” includes duties

Power to acquire shares of dissenting minorities.	675. (1) This section applies where a scheme or contract involving the transfer of shares or any class of shares in a transferor company to the transferee company has, within 4 months after the making of the offer in that behalf by the transferee company, been approved by the holders of not less than nine-tenths in value of the shares whose transfer is involved (other than shares already held at the date of the offer by, or by a nominee for, the transferee company or its subsidiary. (2) In the circumstances referred to in subsection (1), the transferee company may, at any time within 2 months after the expiration of the 4months referred to in subsection (1), give notice to any dissenting shareholder that it desires to acquire his shares. (3) The expression "dissenting shareholder" includes a shareholder who has not assented to the scheme or contract, and any shareholder who has failed or refused to transfer his shares to the transferee company in accordance with the scheme or contract. (4) If the notice referred to in subsection (2) is given, the transferee company is then, (unless on an application made by the dissenting shareholder within one month from the date on which the notice was given, the court thinks fit to order otherwise), entitled and bound to acquire those shares on the terms on which, under the scheme or contract, the shares of the approving shareholders are to be transferred to the transferee company. (5) But where shares in the transferor company of the same class or classes as the shares whose transfer is involved are already held (at the date of the offer) by, or by a nominee for, the transferee company or its subsidiary to a value greater than one-tenth of the aggregate of their value and that of the shares (other than those already so held) whose transfer is involved, subsections (2) and (4) do not apply unless–

	(a) the transferee company offers the same terms to all holders of the shares (other than those already so held) whose transfer is involved or, where those shares include shares of different classes, of each class of them; and (b) the holders who approve the scheme or contract, besides holding not less than nine-tenths in value of the shares (other than those so held) whose transfer is involved, are not less than three-fourths in number of the holders of those shares.

Dissentient's right to compel acquisition of his shares.	676.(1) This section applies where, in pursuance of such a scheme or contract as is referred to in section 481, shares in a company are transferred to another company or its nominee, and those shares (together with any other shares in the first-mentioned company held by, or by a nominee for, the transferee company or its subsidiary at the date of the transfer) comprise or include nine-tenths in value of the shares in the first mentioned company or of any class of those shares. (2) The transferee company shall, within one month from the date of the transfer (unless on a previous transfer in pursuance of the scheme or contract it has already complied with this requirement), give notice of that fact in the prescribed manner to the holders of the remaining shares or of the remaining shares of that class (as the case may be) who have not assented to the scheme or contract. (3) Such a holder may, within 3 months from the giving of that notice to him, himself give notice (in the prescribed form) requiring the transferee company to acquire the shares in question. (4) If a shareholder gives notice under subsection (3) with respect to any shares, the transferee company is then entitled and bound to acquire those shares on the terms on which under the scheme or contract the shares of the approving shareholders were transferred to it, or on such other terms as may be agreed or as the court on the application of either the transferee company or the shareholder thinks fit to order.

Provisions supplementing section	677. (1) Where notice has been given by the transferee company under subsection (2) of section 481 and the court has not, on an application made by the dissenting shareholder, ordered the contrary, subsections (2), (3) and (4) shall apply. (2) The transferee company shall, on expiration of one month from the date on which the notice has been given (or, if an application to the court by the dissenting shareholder is then pending, after that application has been disposed of) transmit a copy of the notice to the transferor company together with an instrument of transfer executed on behalf of the shareholder by any person appointed by the transferee company and on its own behalf by the transferee company. (3) An instrument of transfer is not required for any share for which a share warrant is for the time being outstanding. (4) The transferee company shall also pay or transfer to the transferor company the amount or other consideration representing the price payable by the transferee company for the shares which, by virtue of subsection (4) of section 481, that company is entitled to acquire; and the transferor company shall thereupon register the transferee company as the holder of those shares. (5) Any sums received by the transferor company under this section shall be paid into a separate bank account, and such sums and any other consideration so received shall be held by that company on trust for the several persons entitled to the shares in respect of which those sums, or that other consideration, were respectively received.

Definitions applicable to mergers and acquisitions.	678.In Part — ‘‘acquiring company’’ means a company that proposes to acquire the whole or a substantial part of the business, undertaking, or shares of another company; ‘‘target company’’ means a company whose business, undertaking, or shares are the subject of an acquisition; ‘‘merger’’ means any transaction by which two or more companies combine into a single legal entity, whether by absorption of one into another or by formation of a new entity; ‘‘hostile takeover bid’’ means an offer to acquire shares in a target company made without prior agreement of the board of the target company; ‘‘independent board committee’’ means a committee of directors of the target company who are independent of the acquiring company and who have no material personal interest in the transaction; ‘‘independent expert report’’ means a report prepared by a person who is independent of both the acquiring company and the target company, who holds relevant professional qualifications, and who has been appointed by the independent board committee; ‘‘fairness opinion’’ means a written opinion by an independent expert as to whether the consideration offered in a transaction is fair and reasonable to the shareholders of the target company; and ‘‘merger control authority’’ means any authority established by law in Sierra Leone with jurisdiction over competition matters or investment approvals, including the National Investment Board acting in accordance with the National Investment Board Act 2022.

Notification and prior approval requirements	679.(1) Any merger or acquisition that meets the thresholds prescribed by the merger control authority shall be notified to the merger control authority before implementation. (2) The thresholds for mandatory notification shall be prescribed by the merger control authority, having regard to— a) the combined annual turnover of the merging entities in Sierra Leone; b) the combined share of the relevant market; and c) the value of assets being acquired. (3)A transaction subject to mandatory notification shall not be implemented until— a. the merger control authority has approved the transaction, with or without conditions; or b. the applicable waiting period prescribed by the merger control authority has expired without a decision. (4)Any transaction implemented in breach of this section is voidable at the election of the merger control authority, and the parties shall be jointly and severally liable to the prescribed penalty. (5)This section applies in addition to any court approval required under sections 661 to 666.

Board duties and independent expert report in public company takeovers.	680.(1) Where a takeover bid is made for the shares of a public company— (i)the board of the target company shall, within fourteen days of receiving a formal offer, constitute an independent board committee comprising directors who are independent of the bidder; (ii)the independent board committee shall commission an independent expert report evaluating— a. the fairness and reasonableness of the consideration offered; b. the merits and risks of the transaction for the shareholders of the target company; and c. any alternative transactions available, including the option of remaining independent; (iii)the independent expert report shall be sent to all shareholders of the target company together with the board's recommendation; and (iv)the board of the target company shall make no material acquisition, disposal, or commitment that may frustrate the offer without shareholder approval, except in the ordinary course of business. (2) Where a director of the target company has a material personal interest in the transaction, that director shall— i. disclose the interest to the board immediately upon becoming aware of it; ii. not participate in any board deliberation or vote on the transaction; and iii. not use their position to influence the outcome of the transaction for personal benefit.

	(3) A failure to comply with subsection (1) does not invalidate a transaction that has been completed but the directors in default shall be jointly and severally liable to the prescribed penalty and to any loss suffered by shareholders as a result of the non-compliance.

Equal treatment of shareholders in public company takeovers.	681. (1) An acquiring company making a takeover bid for shares in a public company shall offer identical terms to all holders of shares of the same class. (2) Where an acquiring company has acquired, within the period of twelve months preceding the offer, shares in the target company at a price higher than the offer price, the offer price shall be increased to that higher price. (3)Where an offer is made in securities rather than cash— (a)the acquiring company shall procure an independent valuation of the securities being offered; (b) the offer document shall include a cash alternative at a price determined by an independent expert to be the fair value equivalent; and ©shareholders who are unable under applicable law or their own constitutional documents to accept a securities offer shall be entitled to elect the cash alternative without penalty. (4) The acquiring company shall not acquire shares in the target company, otherwise than through the offer, during the offer period.

Minority shareholder protections in mergers	682. (1) Where a merger or acquisition by scheme of arrangement is proposed under section 661, the company shall ensure that— a) shareholders who dissent from the transaction are entitled to apply to the Court within thirty days of the approval of the scheme for an order that the company purchase their shares at fair value; b) the fair value of the dissenting shareholders' shares shall be determined by the Court as at the date immediately before the announcement of the transaction, without regard to any enhancement or diminution in value attributable to the transaction itself; c) pending the determination of fair value, the dissenting shareholder shall remain a shareholder of the company; and d) the costs of the Court proceedings, including the costs of any independent valuation, shall be borne by the company unless the Court determines that the application was frivolous or vexatious. (2) For the purposes of this section, "dissenting shareholder" means a shareholder who voted against the resolution approving the merger or acquisition at the relevant general meeting, or who was not entitled to vote and objects to the transaction in writing within the period specified in subsection (1)(a). (3) This section shall apply in addition to and not in derogation of the rights of dissenting shareholders under sections 664 and 665.

Mandatory bid obligation	683.(1)Any person who, either alone or acting in concert with others, acquires shares in a public company such that the person's aggregate holding equals or exceeds thirty per cent of the total voting rights in the company shall, within thirty days of reaching that threshold, make a general offer to acquire all remaining shares in the company. (2)The offer made under subsection (1) shall— a) be at a price not less than the highest price paid by the acquirer for shares of the same class during the twelve months preceding the date on which the threshold was reached; b) be unconditional as to level of acceptance; c) be made in cash or include a cash alternative; and d) remain open for acceptance for a period of not less than twenty-one days. (3)The Board may, by regulation, prescribe exceptions to the mandatory bid obligation, including— a) acquisitions resulting from the allotment of new shares where the Board has approved a waiver; b) acquisitions by the executors or administrators of a deceased estate; and c) acquisitions pursuant to a scheme of arrangement approved under section 661. (4)A person who acquires shares in breach of this section commits an offence and is liable to the prescribed penalty, and the Court may— (a)suspend the voting rights attached to the shares acquired in breach; and

	(b) order the divestiture of shares in excess of the threshold.

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Squeeze-out and sell-out rights.	684.(1)This section supplements and shall be read together with sections 664 and 665. (2)Where, following a takeover bid, the acquiring company and any of its subsidiaries or nominees together hold not less than ninety per cent in value of the shares in the target company or of any class of those shares, the acquiring company may, within three months of reaching that threshold, give notice of its intention to acquire the remaining shares at the same consideration as was available under the takeover bid. (3)A minority shareholder who receives a squeeze-out notice under subsection (2) may, within one month of the notice, apply to the Court for an order— a. that the squeeze-out shall not proceed; or b. that a different consideration shall be paid. (4)Where, following a takeover bid, the acquiring company and its associates together hold ninety per cent or more in value of the shares in the target company or any class thereof, any remaining minority shareholder may, within three months of that threshold being reached, require the acquiring company to acquire that shareholder's shares at the consideration available under the bid. (5) The Court may, on the application of a minority shareholder under subsection (3) or (4), substitute a different consideration if satisfied that the bid consideration was not fair and reasonable.

Regulation and guidance	685.(1)The Board may publish a Mergers and Acquisitions Code providing detailed procedural rules, timelines, and guidance for the conduct of public takeovers and mergers. (2) A Mergers and Acquisitions Code published under subsection (1) shall have the status of a statutory instrument and shall be binding on all persons to whom it applies. (3)In exercising its functions under this Part, the Board shall have regard to— a) the protection of shareholders, particularly minority shareholders; b) the maintenance of fair, orderly, and transparent markets for corporate control; and c) the interests of employees and other stakeholders affected by the transaction. (4) Nothing in this Part limits the application of any competition, investment, or sector-specific regulatory regime to any merger or acquisition.
	PART XXI – COMPANIES AND LIMITED LIABILITY PARTNERSHIPS INCORPORATED OUTSIDE SIERRA LEONE AND CARRYING ON BUSINESS WITHIN SIERRA LEONE
Companies to which this Part applies.	686.This Part shall apply to– (a) all companies and limited liability partnerships incorporated outside Sierra Leone which, after the commencement of this Act, establish a place of business within Sierra Leone; and, (b) all companies and limited liability partnerships incorporated outside Sierra Leone which have, before the commencement of this Act, established a place of business within Sierra Leone and continue to have an established place of business within Sierra Leone after the commencement.

Documents, etc., to be delivered to Board by companies carrying on business in Sierra Leone	687.Every company incorporated outside Sierra Leone which, at the commencement of this Act, has a place of business in Sierra Leone and every company which, after the commencement of this Act, establishes a place of business within Sierra Leone shall within 3 months from the commencement of this Act or within one month from the establishment of the place of business, deliver to the Board for registration– (a) a certified copy of the charter, statutes or memorandum and articles of the company, or other instrument constituting or defining the constitution of the company, and, if the instrument is not written in the English language, a certified translation thereof; (b) the full address of the registered or principal office of the company and its principal place of business in Sierra Leone; (c) the present name and any former forename or surname, address and occupation of the person authorised to manage the company in Sierra Leone; (d) a list of the directors of the company, containing such particulars with respect to the directors as are by this Act required to be contained with respect to directors in the register of the directors of a company; (e) the names and addresses of one or more persons resident in Sierra Leone authorised to accept on behalf of the company service of process and any notices required to be served on the company; and (f) the certificate of incorporation or similar document and a statutory declaration by a director stating that the company exists in the country of incorporation, and in the event of any alteration being made in the instrument or in the address or in the directors or managers or in the names or addresses of such persons, the company shall, within 3 months of the alteration deliver to the Board a notice of the alteration.

Balance sheet of company carrying on business in Sierra Leone	688.(1) Every company to which this Part applies shall in every calendar year make out a balance sheet in respect of its business activities in Sierra Leone in the form, and containing the particulars and including the documents, as under this Act it would if it had been a company within the meaning of this Act, have been required to make out and lay before the company in general meeting, and deliver a copy of that balance sheet to the Board for registration. (2) If the balance sheet is not written in the English language, there shall be annexed to it a certified translation thereof.
Obligation to state name of company, etc.	689.Every company to which this Part applies shall– (a) in every prospectus inviting subscriptions for its shares or debentures in Sierra Leone, the country in which the company is incorporated; (b) conspicuously exhibit in every place where it carries on business in Sierra Leone the name of the company and the country in which the company is incorporated; (c) cause the name of the company and of the country in which the company is incorporated is to be stated in legible characters in all bill-heads and letter papers, and in all notices, advertisements and other official publications of the company; and (d) if the liability of the members of the company is limited, cause notice of that fact to be stated in legible characters in every prospectus and in all bill-heads, letter papers, notices, advertisements and other official publications of the company in Sierra Leone and to be affixed on every place where it carries on its business.

Service to the company to which this Part applies.	690.Any process or notice required to be served on a company to which this Part applies shall be sufficiently served if addressed to any person whose name has been delivered to the Board under this Part and left at or sent by post to the address which has been so delivered; and– (a) where the company defaults in delivering to the Board the name and address of a person resident in Sierra Leone who is authorised to accept on behalf of the company service of process or notices; or (b) if at any time all the persons whose names and addresses have been so delivered are dead or have ceased so to reside, or refuse to accept service on behalf of the company, or for any reason cannot be served, a document may be served on the company by leaving it at or sending it by post to the principal place of business established by the company in Sierra Leone.
Board to be notified when company ceases to have place of business in Sierra Leone.	691.If any company to which this Part applies ceases to have a place of business in Sierra Leone, it shall forthwith give notice of the fact to the Board, and as from the date on which notice is so given the obligation of the company to deliver any document to the Board shall cease.

Notification of winding up of a company incorporated outside Sierra Leone.	692.(1) Where, in the case of a company incorporated outside Sierra Leone– (a) a winding up order is made by a court of the country in which the company is incorporated; (b) a resolution is passed or other appropriate proceedings are taken in that country to lead to the voluntary winding-up of the company; or (c) the company is dissolved or otherwise ceases to exist according to the law of the country in which it was incorporated, the local managers and agents of the company shall, within 28 days thereafter, cause notice to be given to the Board, which shall register and cause the particulars contained in the register to be published in the Gazette. (2) Where such events have occurred as are referred to in paragraph (a) or (b) of subsection (1) the local managers of the company shall, on every invoice, order or business letter issued in Sierra Leone by or on behalf of the company, being a document on or in which the company's name appears, cause a statement to appear in legible letters to the effect that the company is being wound up in the country where it is incorporated. (3) If any person carries on in Sierra Leone or purports to carry on business on behalf of the company after the date on which it was dissolved or has otherwise ceased to exist in the country in which it was incorporated he shall be guilty of an offence and be liable to a fine for each day during which he continues to do so.

Cessation of business of companies incorporated outside Sierra Leone.	693.(1) If a company incorporated outside Sierra Leone ceases to have an established place of business in Sierra Leone, it shall, within 28 days after so ceasing, give notice thereof to the Board in duplicate, and the Board shall register the notice and cause a copy of it to be published in the Gazette. (2) The Board shall then strike the name of the company off the register. (3) After notice has been given to the Board in accordance with subsection (1) and so long as the company has no established place of business in Sierra Leone, then, except as provided in subsection (6), no person shall be under any obligation to deliver any document relating to that company to the Board pursuant to this Act. (4) Where the Board has reasonable cause to believe that a company incorporated outside Sierra Leone has ceased to have a place of business in Sierra Leone, it may send by registered post to the registered local manager and agent and, if more than one, to all such persons, a letter enquiring whether the company is maintaining an established place of business in Sierra Leone. (5) If the Board receives an answer to the effect that the company has ceased to have an established place of business in Sierra Leone or does not, within three months, receive any reply, it may strike the name of the company off the register. (6) At any time within 6 years after the date on which the company was struck off the register under subsections (1),(2), (4) and (5), all persons shall continue to have a right to inspect the documents relating to that company; and during those 6 years, the company shall, notwithstanding subsection (3) continue to give notice of any alteration in the names of the company's agents.

Foreign Limited Liability Partnership	694. (1) A foreign limited liability partnership which before or after the commencement of this Act was incorporated outside Sierra Leone, and having the intention of carrying on business in Sierra Leone, shall take all steps necessary to be incorporated as a separate entity in Sierra Leone for that purpose, but until so incorporated, the foreign limited liability partnership shall not carry on business in Sierra Leone or exercise any of the powers of a corporate body registered under this Act and shall not have a place of business or an address for service of documents or processes in Sierra Leone for any purpose other than the receipt of notices and other documents, as matters preliminary to incorporation under this Act. (2) The Minister may, by regulation, exempt a foreign limited liability partnership from the requirement of incorporation under subsection (1).
Penalties.	695.(1) Unless otherwise provided in this Act, if any company to which this Part applies fails to comply with any of the provisions of this Part the company, and every officer or agent of the company shall be liable to a fine or, in the case of a continuing offence for each day during which the default continues. (2) Notwithstanding the requirements of registration under section 485, a company incorporated outside of Sierra Leone which is a party to a contract ordinarily to have been performed in Sierra Leone, with rights under or arising out of any contract, shall be enforceable by action or other legal proceedings. (3) The company may apply to the court for relief against the disability imposed by subsection (2) and the court may, on being satisfied that it is just and equitable to grant relief, grant such relief either generally or as respects any particular contract and on such conditions as it may impose. (4) Nothing in this section shall prejudice the rights of any other parties against the company in respect of that contract. (5) If an action or proceeding is commenced by any other party against that party in respect of the contract, nothing shall preclude the company from enforcing in that action or proceeding

	by way of counterclaim, set off or otherwise, such rights as it may have against that party in respect of the contract.

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Interpretation	696.For the purposes of this Part, the expression- (a)“certified” means certified in the prescribed manner to be a true copy or a correct translation; (b)“director” in relation to a company includes any person in accordance with whose directions or instructions the directors of the company are accustomed to act; (c)“prospectus” has the same meaning as when used in relation to a company incorporated under this Act; (d)“place of business” means a branch, management, shares, transfer or registration office, factory, mine or other fixed place of business but does not include an agency unless the agent has, and habitually exercises, a general authority to negotiate and conclude contracts on behalf of the company or maintains a stock of merchandise belonging to that company from which he regularly fills orders on its behalf but- (i) a company shall not be deemed to have a place of business in Sierra Leone merely because it carries on business dealings in Sierra Leone through a bona fide broker or general Board agent acting in his business as such; or (ii) the fact that a company has a subsidiary which is registered, resident or carrying on business in Sierra Leone, whether through a place of business or otherwise, shall not itself constitute the place of business of that subsidiary.
	PART XXII –DEALINGS IN COMPANIES’ SECURITIES

Regulations.	697.(1) The Board may make regulations for the purpose of giving effect to the provisions of this Part and may, in particular, make regulations prescribing or requiring– (a) the forms for returns and other information required under this Part; (b) returns to be made, within a specified time, if any, by any company or enterprise to which this Part applies; (c) the procedure and criteria for approval of mergers, acquisitions, take-overs, amalgamations and business combinations under this Act; (d) any fees payable under this Part; (e) the formula for the calculation of the price at which securities may be bought or sold; or (f) the information to be contained in any prospectus or trust deed filed under this Part. (2) Any regulations made pursuant to subsection (1) may, where appropriate, prescribe penalties for each day during which a default continues, or imprisonment or both the fine and imprisonment for any contravention of any of the regulations. (3) This section shall not apply to any company whose shares are listed on the stock exchange under any enactment regulating securities.
	Invitations to the public

Control of public invitations.	698.(1) It shall not be lawful for any person to make any invitation to the public– (a) to acquire or dispose of any securities of a company; (b) to deposit money with any company for a fixed period or payable at call, whether bearing interest, unless the company concerned is a public company and the provisions of sections 495 to 508 are duly complied with, or the company is licensed under the Banking Act, 2000, to carry on banking business. (2) Nothing in this subsection shall render unlawful the sale of any shares by or under the supervision of the court. (3) If any invitation to the public is made in breach of subsection (1), all persons making the invitation and every officer who is in default or anybody corporate making the invitation shall be guilty of an offence and be liable on conviction in the case of a body corporate to a fine and in any other case to a fine or to a term of imprisonment or to both the fine and imprisonment. (4) If, as a result of any invitation to the public in breach of subsection (1), any person acquires or disposes of any securities or deposits money with any company, he shall be entitled to rescind such transactions and either in addition to or instead of rescinding, to recover compensation for any loss sustained by him from any person who is liable whether convicted or not in respect of the breach. (5) Where, in accordance with subsection (3), any person claims to rescind any transaction, he must do so with reasonable promptitude and shall not be entitled to rescind any transaction with the company from it unless he takes steps to rescind before the commencement of the winding-up of the company; but the fact that it is too late to rescind shall not prejudice his right to recover compensation from any person other than the company.

Meaning of "invitation to the public"	699.(1) For the purposes of this Act, an invitation shall be made to the public if an offer or invitation to make an offer is- (a) published, advertised or disseminated by newspaper, broadcasting, cinematograph, or any other means whatsoever; (b) made to or circulated among any persons, whether selected as members or as debenture holders of the company concerned or as clients of the persons making or circulating the invitation or in any other manner; (c) made to any one or more persons to acquire any securities dealt in upon any stock exchange or in respect of which the invitation states that application has been or shall be made for permission to deal in those securities upon any stock exchange; but:– (i) nothing in this section shall be taken as requiring any invitation to be treated as made to the public if it can properly be regarded in all the circumstances as not being calculated to result, directly or indirectly, in the shares or debentures becoming available for subscription or purchase by persons other than those receiving that offer or invitation or otherwise as being a domestic concern of the persons making and receiving it; (ii) an invitation made by or on behalf of a private company exclusively to its existing shareholders (not being greater in number than 50 and its existing employees) shall not be deemed to be an invitation to the public unless the invitation is of the type referred to in this paragraph. (2) For the purposes of subsection (1), the issue of any form of application for securities or of any form to be completed on the deposit of money with a company shall be deemed to be an invitation to acquire those shares or to deposit money.

Document offering for sale deemed to be prospectus.	700.(1) Where a company allots or agrees to allot securities to any person with a view to their being offered for sale to the public, any document by which the offer for sale is made shall be deemed to be a prospectus. (2) For the purposes of this section, an allotment of, or an agreement to allot, securities shall, unless the contrary is proved, be deemed to have been made with a view to the securities being offered for sale to the public if it is shown that- (a) an offer of the securities for sale to the public was made within 6 months after the allotment or agreement to allot; or (b) at the date when the offer was made, the whole consideration to be received by the company in respect of the securities had not been so received.
	Forms of prospectus
Form of application for shares to be issued with prospectus	701.(1) It shall not be lawful to issue any form of application for securities in a public company unless the form is issued with a prospectus which complies with the requirements of section 479; but this section shall not apply if it is shown that the form of application was issued either- (a) in connection with a bona fide invitation to a person to enter an underwriting agreement with respect to the shares; or (b) in relation to shares which were not offered to the public. (2) If any person contravenes any provision of this section, he shall be guilty of an offence and be liable to a fine.
Effective date of prospectus. Form and contents of prospectus.	702.A prospectus issued by or on behalf of a company or in relation to an intended company shall be dated, and that date shall, unless the contrary is proved, be taken as the date of publication of the prospectus.

Effective date of prospectus. Form and contents of prospectus.	703.(1) Every prospectus shall– (a) be in the form prescribed by the Board; (b) be signed by every director or person named in the prospectus as a proposed director of the issuer, or by his agent authorised in writing; (c) state that a copy has been registered with the Board and also state immediately after that statement that the Board assumes no responsibility as to its contents; (d) state the matters specified in the Seventh Schedule. (e) in the case of an offer of units under a unit trust scheme, include a copy of the scheme's particulars; (f) where the person making a report required to be included in any prospectus has made in it, or has, without giving a reason, indicated in it, any adjustment to the report or endorsed on it or attached thereto a statement by that person setting out the adjustment; (g) contain a statement that no securities shall be allotted on the basis of the prospectus later than its date of issue; (h) where it contains a statement made or purporting to have been made by an expert or contains what purports to be a copy of or extract from a report, memorandum or valuation of an expert, state the date on which the statement, report, memorandum or valuation was made and whether or not it was prepared by the expert for incorporation in the prospectus and contain a copy of that person's consent which shall have previously been lodged with the Board; (i)not contain the name of any person as a debenture holder's representative or trustee or as an auditor or a banker or a legal practitioner or share broker of the company or proposed company or for or in relation to the issue or proposed issue of

	securities, unless that person has consented in writing before the issue of the prospectus to act in that capacity in relation to the prospectus and a copy of the consent has been lodged with the Board; (j) subject to subsection (2), where the prospectus offers shares in or debentures or other securities of a foreign corporation incorporated or to be incorporated, contain particulars with respect to (i) the instrument constituting the corporation; (ii) the enactment or provisions having the force of an enactment by or under which the incorporation of the corporation was effected or is to be effected; (iii) an address in Sierra Leone where the instrument, enactment or provisions or certified copies may be inspected; (iv) the date on which and the place where the company was or is to be incorporated; and (v) whether the corporation has established a place of business in Sierra Leone and, if so, the address of its principal office in Sierra Leone. (2) Sub-paragraphs (iii) to (iv) of paragraph (j) of subsection (1) shall not apply in the case of a prospectus issued more than 2 years after the day on which the corporation was entitled to commence business. (3) A document referred to in subsection (1) shall, in addition, state– (a) the net amount of the consideration received or to be received by the company in respect of shares or debentures to which the offer relates; and

	(b) the place and time at which a copy of the contract under which the shares or debentures have been or are to be allotted may be inspected. (4) Where an offer to which subsection (1) of section 497 relates is made, it shall be sufficient if the document referred to in that section is signed on behalf of the issuer by 2 directors or 2 members of the Board of management or their authorised agent, in writing. (5) If, after delivery of the prospectus approved by the Board for registration but prior to registration, the expert referred to in paragraph (h) of subsection (1) has withdrawn his consent, the person who has submitted the prospectus to the Board for approval shall immediately notify the Board. (6) A condition requiring or binding an applicant for securities to waive compliance with any requirement of this section, or purporting to affect him with notice of any contract, document or matter not specifically referred to in the prospectus, shall be void. (7) Where a prospectus does not comply with the requirements of this Act or any regulations made under it, no director or other person shall incur any liability in respect of the failure to comply if he proves that he had no knowledge of the matter and that he exercised due diligence to ensure that the failure to comply did not occur

Application of provisions relating to prospectuses in certain cases.	704.Section 471 shall not apply to the issue– (a)to existing members of a company of a prospectus or form of application relating to shares in the company, whether or not an applicant for shares has the right to renounce in favour of other persons; and (b) of a prospectus or form of application relating to securities which are or are to be in all respects uniform with securities previously issued and for the time being dealt in or quoted on a recognised stock exchange; but, subject as specified in paragraphs (a) and (b), section 471, shall apply to a prospectus or a form of application issued on or with reference to the formation of a company, or at any time thereafter.

Prohibition of issue, etc, of certain notices, circulars and advertisements.	705.(1) Subject to this section, a person shall not issue, circulate, publish, disseminate or distribute any notice, circular or advertisement that– (a) offers for subscription or purchase, securities in a company, or invites subscription for, or purchase of any such securities; or (b) calls attention to– (i) an offer, or intended offer, for subscription or purchase of securities in a company; (ii) an invitation, or intended invitation, to subscribe for or purchase such securities; or (iii) a prospectus. (2) This section shall not apply to– (a) a notice or circular that relates to an offer or invitation not made or issued to the public; (b) a registered prospectus; (c) a notice, circular or advertisement that calls attention to a registered prospectus, which states that allotments of, or contracts to subscribe for or purchase, the securities offered may be made only on the basis of the information contained in the prospectus; or (d) a notice or circular that– (i) accompanies a notice or circular referred to in paragraph (b) or (c) or would, but for the inclusion in it of a statement referred to in sub-paragraph (iii) or (iv), be a notice or circular so referred to; (ii) is issued or circulated by a person whose ordinary business includes advising clients in connection with their investments and

	is issued or circulated only to clients so advised in the course of that business; (iii) contains a statement that the investment to which it or the accompanying document relates is recommended by that person; and (iv) where the person is an underwriter or sub-underwriter of an issue of shares to which the notice or circular or accompanying document relates, contains a statement that the person making the recommendation is interested in the success of the issue as an underwriter or sub-underwriter, as the case may be. (3) This section shall apply to notices, circulars and advertisements published or disseminated by newspaper, radio or television broadcasting, cinematograph, electronic mail or any other means. (4) Any person who contravenes this section and any person who knowingly authorises or permits an act that constitutes a contravention of this section shall be guilty of an offence and be liable to a fine or to a term of imprisonment. (5) Where a notice, circular or advertisement relating to a company is issued, circulated, published, disseminated or distributed in contravention of this section by or with the authority or permission of an officer of the company, the company shall be guilty of an offence.

Expert's statements in prospectus.	706.(1) A prospectus inviting persons to subscribe for securities in a company and including a statement purporting to be made by an expert shall not be issued unless- (a) he has given and has not, before delivery of a copy of the prospectus for registration, withdrawn his written consent to the issue of it with the statement included in the form and context in which it is included; and (b) a statement that he has given and has not withdrawn his consent appears in the prospectus. (2) If any prospectus is issued in contravention of this section, the company and every person who is knowingly a party to its issue shall be guilty of an offence and be liable to a fine. (3) In this section, "expert" includes every engineer, legal practitioner, accountant and any other person whose profession gives authority to a statement made by him.
Prospectus on invitation to the public to acquire or dispose of securities.	707.(1) Notwithstanding the provisions of section 468, it shall be lawful to make an invitation to the public to acquire or dispose of any securities of a public company, if– (a) within 6 months prior to the making of the invitation, there has been delivered to the Board and registered by it in accordance with this Act a prospectus relating to such securities complying in all respects with the relevant provisions of section 470. (b) except as provided in subsection (2), every person to whom the invitation is made is supplied with a true copy of such prospectus; (c) every copy of the prospectus states on its face that it has been, at the time when the invitation is first made, registered by the Board and the date of registration.

	(2) Paragraph (b) of subsection (1) shall not apply to an invitation made under or through a member or to an invitation made by or through an approved stock exchange to a client of that member or to an invitation made by or through a licensed dealer.
Contract in prospectus, etc., not to be varied without leave.	708.A company limited by shares shall not, before the statutory meeting, vary the terms of a contract referred to in the prospectus, or statement in lieu of prospectus, except subject to the approval of the statutory meeting.

Registration of prospectus	709.(1) The Board shall not register a prospectus unless- (a) the prospectus has been approved by it; (b) the prospectus complies with the requirements of this Act and any regulations made under it; (c) there is also filed with the Board a copy of- (i)every consent required by subsection (1) of section 476 to the issue of the prospectus; (ii) every material contract referred to in the prospectus or, in the case of a contract not reduced into writing, a declaration giving full particulars of the contract; (d) where a prospectus relates to securities dealt in on an approved stock exchange or states that the application has been or will be made to an approved stock exchange for permission to deal in the securities to which it relates, the prospectus shall be accompanied by a certificate from the approved stock exchange that the prospectus has been scrutinised by the stock exchange, and that the exchange's requirements relating to its contents have been satisfied. (2) Every issuer of securities shall– (a) cause a copy of every document referred to in paragraph (c) of subsection (1) to be deposited, not later than 3 days after the prospectus is registered, at its registered office (where it is required to have one) or at its principal place of business; and (b) keep every copy, for a period of at least 6 months after the registration of the prospectus, for the inspection by investors, members and creditors. (3) The Board shall keep and maintain a register of prospectuses on which all prospectuses registered under this section shall be entered.

	(4) The Board shall, upon registering a prospectus of a company, send a copy of the prospectus to the Securities and Exchange Board or equivalent body. (5) Where the Board has refused to register a prospectus, the person who has delivered a prospectus for registration may apply to the court which, after hearing the applicant, the Board and such evidence as they may call, may either order the Board to register the prospectus or may dismiss the application and prohibit any person before the court from publishing the prospectus before it has been amended to the satisfaction of the Board.

Material change	710.(1) Where, after the Board has given approval of the prospectus, but before registration or after such registration any material change occurs in the business of the issuer, or in any other manner which would have the effect of rendering the prospectus or any statement required to be contained in the prospectus or any other matter concerning the issue to the public generally, untrue, incomplete, misleading or non-compliant with any applicable law, the issuer shall promptly inform the Board of the likely occurrence or occurrence of such change and the Board shall give such directions as it thinks appropriate in the circumstances including the revocation of the approval so granted. (2) Where in the circumstances set out in subsection (1) or in any other circumstances where the Board considers that the prospectus, whether before or after registration and before the closing of the offer period, contains any untrue, incomplete or misleading statement or does not comply with the law or any listing rules applicable to the issuer, the Board may require the prospectus to be amended or completed or may require that a fresh document be submitted in its place.

Civil liability for misstatement in prospectus.	711. (1) Subject to this section, every person who– (a) is a director at the time of the issue of a prospectus; (b) authorises or causes himself to be named and is named in a prospectus as a director or as having agreed to become a director either immediately or after an interval of time; (c) is a promoter; or (d) authorises or causes the issue of a prospectus, shall be liable to pay compensation to any person who subscribes for or purchases securities on the faith of a prospectus for any loss or damage sustained by reason of– (i) an untrue statement in the prospectus; or (ii) the wilful non-disclosure in the prospectus of any matter of which he had knowledge and which he knew to be material. (2) No person shall be liable under paragraph (d) of subsection (1) as a person authorising or causing the issue of a prospectus by reason only that– (a) in a case where the consent of an expert is required for the issue of a prospectus, he has given that consent, except in respect of an untrue statement in the prospectus purporting to be made by him as an expert; or (b) his name is included in a prospectus as a trustee for debenture holders, as a trustee, auditor, banker, legal practitioner, or sharebroker, or as a person performing some other professional or advisory function only. (3) Subject to subsection (4), no person shall be liable under subsection (1) if he proves that– (a) having consented to become a director, he withdrew his consent before the issue of the prospectus, and it was issued without his authority or consent; ona vacantia.667 (b) the prospectus was issued without his knowledge or consent and he gave reasonable notice to the public of the fact as soon as possible after he became aware of its issue; (c) after the issue of the prospectus and before any allotment or sale under it he

Offences in respect of untrue statements in prospectus.	712.(1) Where a prospectus contains a statement which is untrue, every person referred to in section 503 shall, subject to subsections (3) and (4), be guilty of an offence and shall be liable on conviction to a fine or to imprisonment for a term, or to both the fine and imprisonment. (2) Where there is published with or as part of a prospectus a report of any expert or an extract from such report and such report or extract contains a statement which is untrue, the expert shall, provided he has given his consent to the inclusion of such statement in the prospectus in the form and context in which it appears, and subject to subsections (3) and (4), be guilty of an offence, and shall be liable to a fine or to imprisonment for a term or to both the fine and imprisonment. (3) In any prosecution under this section, it shall be a defence if it is proved either that the untrue statement was immaterial or– (a) with respect to every untrue statement not purporting to be made by the Board or an expert or of a public official document or statement, that the person charged had, after reasonable investigation, reasonable ground to believe and did up to the time of the allotment of the securities or acceptance of the officer (as the case may be) believe that the statement was true, and that there was no omission to state any material fact necessary to make the statement as set out not misleading; and (b) with respect to every untrue statement purporting to be a statement by or contained in what purports to be a copy of or extract from a report or valuation of an expert, that the person charged had reasonable ground to believe and did believe that the person making the report or valuation was competent to make it; and (c) with respect to every such untrue statement purporting to be a statement made by an official person or contained in what purports to be a copy of or extract from a public official document,

	that it was a correct and fair representation of the statement or copy of or extract from the document.

Interpretation as to statement in prospectus.	713.For the purposes of this Part, a statement– (a) included in a prospectus shall be deemed to be untrue if it is misleading in the form and context in which it is included; and (b) shall be deemed to be included in a prospectus if it is contained in the prospectus or in any report or memorandum appearing on the face of it or by reference incorporated or issued with it.
	PART XXIII – FINES AND PENALTIES

General provisions relating to fines, penalties, and sentencing.	**714.**(1) For the purposes of this Act, all offences and defaults are assigned to one of five penalty levels, and all references in this Act to a penalty level, a default fine, or a standard penalty shall be construed in accordance with this section and the Fourteenth Schedule to this Act. (2) The five penalty levels applicable under this Act stated in the Fourteenth Schedule. (3) The standard daily default fine applicable under this Act, wherever the expression "default fine" or "daily default fine" is used without further specification, shall be— (a) in the case of a micro enterprise as defined in this Act — Le 100,000 for each day during which the default continues; (b) in the case of a small company as defined in section 46 — Le 250,000 for each day during which the default continues; (c) in the case of a medium-sized company — Le 500,000 for each day during which the default continues; and (d) in the case of a large company or a public company — Le 1,000,000 for each day during which the default continues, subject to a maximum aggregate default fine of Le 50,000,000 in any case, unless the Court, on the application of the Board, orders that the daily fine shall continue beyond that maximum where persistent non-compliance warrants it. (4) Where this Act provides that a person or company is liable to a fine without specifying the penalty level, the offence shall be treated as a Level 5 offence. (5) Where this Act provides that a person or company commits an offence and is liable on conviction without specifying the penalty level, the offence shall be assigned the penalty level specified opposite that section in the Fourteenth Schedule. (6) The Fifteenth Schedule assigns each offence created by this Act to a penalty level and, where applicable, specifies whether the offence is triable—

	(a) summarily only; (b) on indictment only; or (c) either summarily or on indictment. (7) Where an offence is triable either way under subsection (6)(c)— (a) on summary conviction, the maximum fine shall not exceed one-half of the maximum fine for that penalty level and the maximum term of imprisonment shall not exceed twelve months; and (b) on conviction on indictment, the full penalty level maximums apply.

Administrative defaults and default fines.	715**.**Where this Act provides that a company, officer, or other person is liable to a "default fine" in respect of a failure to file, register, deliver, or give notice of any document, particulars, or information required by this Act, the provisions of this section apply. (2) A default fine is a civil penalty and shall not result in a criminal conviction or be recorded as such. (3) A default fine shall be imposed by the Board by notice in writing and shall accrue on a daily basis from the date of the default until the date on which the default is remedied. (4) The amount of the daily default fine shall be determined in accordance with section 718(3), having regard to the size of the company or entity in default. (5) The aggregate default fine payable in respect of any single default shall not exceed Le 50,000,000, unless the Board obtains a Court order under subsection (6). (6) Where a default continues after the aggregate maximum in subsection (5) has been reached, the Board may apply to the Court for an order that the daily default fine shall continue to accrue beyond that maximum. The Court may make such an order where it is satisfied that the continued default is wilful and that the aggregate maximum has failed to secure compliance. (7) A person or company subject to a default fine under this section shall have the right to apply to the Board for internal review within fourteen days of the notice of imposition. The Board shall determine the internal review within twenty-one days of the application. (8) A person or company that is dissatisfied with the outcome of an internal review may appeal to the High Court within thirty days of the decision. (9) Where a person or company remedies a default within seven days of the issue of a notice under subsection (3), the Board may, at its discretion, reduce the default fine to nil or to a **nominal** amount having regard to the circumstances of the default and the promptness of remediation. (10) All default fines collected under this Act shall be paid into the Consolidated Fund

Principles of sentencing and penalty determination.	716.In determining the appropriate fine or penalty for any offence under this Act, a court or the Board shall have regard to the following principles— (a) the gravity and nature of the contravention and whether it involved fraud, dishonesty, deliberate non-compliance, or recklessness as distinct from inadvertence or honest mistake; (b) the degree of culpability of the person or company, including whether the conduct was intentional, reckless, or negligent; (c) the size, turnover, and financial capacity of the company or person, so that the penalty is meaningful as a deterrent relative to the resources of the offender; (d) whether the person is a natural person acting for personal gain or a body corporate, and whether any individual officers were personally responsible for the conduct of the company; (e) the harm caused or capable of being caused to shareholders, creditors, employees, the public, or the integrity of the business registration system; (f) any previous record of non-compliance or conviction under this Act or any other written law relating to business regulation; (g) any steps taken by the person or company, before or after the commencement of proceedings, to remedy the breach or to mitigate its consequences; (h) any co-operation with the Board or with law enforcement authorities in the investigation of the offence; (i) whether the person voluntarily reported the breach to the Board before it was discovered by the Board; and (j) the need to maintain public confidence in the corporate and business registration system and to deter future contraventions, while recognising the object of this Act to encourage formalisation and to support MSMEs. (2) Where a person or company has voluntarily disclosed a contravention to the Board before it was detected, has fully co-operated with any investigation, and has taken all reasonable steps to remedy the breach, the court or the Board may reduce

	the applicable fine by up to fifty per cent from the maximum otherwise applicable. (3) Where a contravention is a first offence by a micro enterprise or a small company as defined in section 46, and the court or the Board is satisfied that the contravention was not deliberate or reckless, the court or the Board shall consider whether a penalty below the standard level, or a conditional penalty, would be more appropriate having regard to the objects of this Act relating to formalisation.

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Corporate liability and officers	717.Where a body corporate commits an offence under this Act, any director, manager, secretary, or other officer of the body corporate who authorised, directed, connived at, or was knowingly a party to the commission of the offence also commits the offence and is liable on conviction to the penalties applicable to an individual for that penalty level under section 718(2). (2) For the avoidance of doubt, the liability of an individual under subsection (1) is in addition to and not in substitution for the liability of the body corporate. (3) It shall be a defence for an officer charged under subsection (1) to prove that— (a) the offence was committed without the officer's knowledge; (b) the officer took all reasonable steps that could reasonably be expected in the circumstances to prevent the commission of the offence; and (c) on becoming aware of the commission or likely commission of the offence, the officer took immediate steps to remedy it and to report it to the Board or to the relevant authority. (4) Where a company has been convicted of an offence under this Act, and the conviction is attributable to any act or omission of an officer acting within the scope of the officer's authority, the Court may, in addition to any other order, order that the officer be disqualified from acting as a director of any company for such period as the Court considers appropriate, not exceeding ten years for a Level 1 or Level 2 offence and five years for a Level 3 or Level 4 offence.

Limitation period for prosecutions	718.(1) Proceedings for any offence under this Act that is triable summarily only shall not be commenced after the expiration of three years from the date on which the offence was committed or, where the offence consists of a continuing default, from the date on which the default first occurred. (2) Proceedings for any offence under this Act that is triable on indictment, whether or not also triable summarily, may be commenced at any time, subject to any applicable provision of the Criminal Procedure Act. (3) For the purposes of subsection (1), where an offence is concealed or where the commission of the offence could not with reasonable diligence have been discovered by the Board or by the person aggrieved, the period of three years shall begin to run from the date on which the offence was discovered or could with reasonable diligence have been discovered, whichever is earlier.

<table>
<tr><td>Default fine</td><td>719.(1)All default fines levied by the Board under the Companies Act 2009 as amended shall be payable to the Board within 30 days of it being levied.

(2) A Company that fails to comply with subsection (1) shall incur the following additional penalties–
<table><tr><td>How late penalties are paid</td><td>Penalty –Private Company</td><td>Public Company</td></tr><tr><td>Not more than one month</td><td>Default fine x 2</td><td>Default fine x 3</td></tr><tr><td>More than one month but not more than three months</td><td>Default fine x 3</td><td>Default fine x 4</td></tr><tr><td>More than three months but not more than six months</td><td>Default fine x 4</td><td>Default fine x 5</td></tr><tr><td>More than six months</td><td>Default fine x 5</td><td>Default fine X 6</td></tr></table></td></tr>
<tr><td>Recovery of unpaid fines and striking off.</td><td>720.A Company that fails to comply with the penalties after six months from the date the fine is due shall face legal action to recover the fine and shall be struck off the register thereafter.</td></tr>
</table>

Other provisions relating to fines and penalties	721.(1) Where any person or company is liable to a fine under any provision of this Act, the amount of the fine shall be determined in accordance with the following principles— (a)the gravity and nature of the contravention; (b) whether the contravention was committed intentionally, recklessly or negligently; (c) the size, turnover and financial capacity of the company or person concerned; (d) any previous contravention or history of non-compliance; (e) any steps taken to remedy the breach or mitigate its consequences; and (f) the need to deter future contraventions while encouraging formalisation and compliance. (2) The Minister shall, by regulations made under this Act, prescribe— (a) the maximum and minimum amounts of fines for different categories of contravention; (b) graduated penalty bands applicable to micro, small, medium and large companies; and (c) any circumstances in which a fine may be reduced, waived or suspended. (3) Where a person or company is convicted of an offence under this Act for which no specific penalty is provided, the person or company is liable— (a) in the case of an individual, to a fine not exceeding Le 500,000,000 or to imprisonment for a term not exceeding five years, or to both; (b) in the case of a company or other body corporate, to a fine not exceeding Le 1,000,000,000.

	(4) Where a company is convicted of an offence under this Act, any officer, director, manager, secretary or other person who was knowingly a party to the contravention commits the same offence and is liable to the penalties applicable to an individual under subsection (3)(a). (5) All fines imposed under this Act shall be paid into the Consolidated Fund. (6) All fines and penalties under this Act shall be determined on the basis of proportionality, company size, and the principle of encouraging formalisation rather than punishment." (7)The Board may, in lieu of prosecution for minor or first-time contraventions, impose administrative penalties not exceeding 10% of the maximum fine prescribed for the offence, subject to the right of the person or company concerned to request internal review. (8) The Minister shall review the levels of fines and penalties prescribed under this Act at least once every three years, after consultation with relevant stakeholders, and shall publish any revised amounts in the Gazette and two local newspapers of wide circulation.

	PART XXIV – MISCELLANEOUS
Saving for privileged communications	722. Where proceedings are instituted under this Act against any person by the Attorney-General, nothing in this Act shall be taken to require any person who has acted as a legal practitioner for the defendant to disclose any privileged communication made to him in that capacity.
Service of documents and legal proceedings	723. (1) A document may be served on a company by leaving it at or sending it by post to the registered office of the company in Sierra Leone. (2) A document may be served on the Board by leaving it at or sending it by post to the office of the Board of Courts to grant relief in certain cases (3) Where service is effected by electronic means, it shall be deemed to be served at the time the electronic communication is sent, unless the recipient proves that he did not receive it or that it was sent to an incorrect address. (4) Proof of service may be by affidavit, courier receipt, electronic delivery receipt, or such other evidence as the Registry or Court may accept. (5) The Board may issue guidelines on acceptable electronic addresses and methods of electronic service for the purposes of this Act.

Court relief, costs, and enforcement	724. (1) If in any proceeding for negligence, default, breach of duty or breach of trust against a person to whom this section applies it appears to the court hearing the case that that person is or may be liable in respect of the negligence or default, and that, having regard to all the circumstances of the case, including those connected with his appointment, he ought fairly to be excused for the negligence, default, breach of duty, or breach of trust, the court may relieve him, either wholly or partly, from his liability on such terms as the court may think fit. (2) Where any person to whom this section applies has reason to apprehend that any claim will or might be made against him in respect of any negligence, default, breach of duty, or breach of trust, he may apply to the court for relief, and the court, on such application shall have the same power to relieve him under this section as it would have had if it had been a court before which proceedings against that person for negligence, default, or breach of duty, or breach of trust had been brought. (3) The persons to whom this section applies are the following:– (a) directors of a company; (b) managers of a company; (c) other officers of a company; (d) persons employed by a company as auditors, whether they are officers of the company or not.
Costs in Action by Certain Limited Companies	725. Where a limited company is plaintiff in any action or other legal proceeding, any judge having jurisdiction in the matter may, if it appears by credible testimony that there is reason to believe that the company will be unable to pay the costs of the default if successful in his defence, require sufficient security to be given for those costs, and may stay all proceedings until the security is given.
Power to Enforce Orders	726. Orders made by the court under this Act may be enforced in the same manner as orders made in an action pending before the Court.

Power to Grant Relief	727. Where in any proceedings before any court for negligence, default, or breach of duty against a person to whom this section applies, it appears to the court that the person is or may be liable in respect thereof, but that that person has acted honestly and reasonably and that, having regard to all circumstances of the case including those connected with the person's appointment, the person ought fairly to be excused for the negligence, default, or breach, the court may relieve that person either wholly or partly from liability on such terms as the court thinks fit. (2) Where a person to whom this section applies has reason to apprehend that any claim will or might be made against him in respect of any negligence, default, or breach of duty, that person may apply to the court for relief, and the court shall have the same power to relieve the person under this section as it would have had if it has been a court before which proceedings against that person for negligence, default, or breach of duty had been brought. (3) This section shall apply to– (a) a director or other officers; (b) a person employed by a company as an auditor; (c) an expert; (d) a liquidator; (e) a trustee for debenture holders; (f) directors, managers, and other officers of a company incorporated outside Sierra Leone
Every director, employee, etc. to be liable.	728. Every director, employee, or shareholder of a company who- (a) fraudulently takes or applies the property of the company for his own use or benefit, or for a use or purpose other than the use or purpose of the company; or (b) fraudulently conceals or destroys property of the company, shall be guilty of an offence and is liable on conviction to a fine or imprisonment or to both the fine and imprisonment.

False statements and falsification of records	729. (1) Any person who, with respect to a document required by or for the purpose of this Act– (a) makes, or authorises the making of, a statement that is false or misleading in a material particular knowing it to be false or misleading; (b) omits, or authorises the omission from it, any matter knowing that the omission makes the document false or misleading in a material particular, commits an offence and is liable on conviction to a fine or to a term of imprisonment or to both the fine and imprisonment. (2) Every director or employee of a company who makes or furnishes, or authorises or permits the making or furnishing of a statement or report that relates to the affairs of the company and that is false or misleading in a material particular to– (a) a director, employee, auditor, shareholder, debenture holder, or trustee for debenture holders of the company; (b) a liquidator, or liquidation committee of the property of the company; (c) if the company is a subsidiary, a director, employee, or auditor of its holding company; (d) a stock exchange or an officer of a stock exchange, knowing it to be false or misleading, commits an offence, and is liable on conviction to a fine or to imprisonment or to both the fine and imprisonment. (3) For the purposes of this section, a person who voted in favour of the making of a statement at a meeting is deemed to have authorised the making of the statement. (4) If any person, on examination on oath, authorised under this Act, or in any affidavit or deposition in or about any matter arising under this Act, wilfully gives false evidence, he shall be guilty of perjury.

Falsification of records	730**.** (1) Every director, employee, or shareholder of a company who, with intent to defraud or deceive a person- (a) destroys, parts with, mutilates, alters, or falsifies, or is a party to the destruction, mutilation, alteration, or falsification of any register, accounting records, book, paper, or other document, belonging or relating to the company; or (b) makes or is party to the making of a false entry in any register, accounting records, book, paper, or other document belonging or relating to the company, commits an offence, and is liable on conviction to a fine or imprisonment for a term not or to both the fine and imprisonment. (2) Every person who, in relation to a mechanical, electronic, or other device used in connection with the keeping or preparation of any register, accounting records, index, book, paper, or other document for the purposes of a company or this Act- (a) records or stores in the device, or makes available to a person from the device, matter that he knows to be false or misleading in a material particular; or (b) with intent to falsify or render misleading such register, accounting records, index, book, paper, or other document, destroys, removes, or falsifies matter recorded or stored in the device, or fails or omits to record or store any matter in the device. is guilty of an offence and is liable on conviction to a fine or imprisonment for a term or to both the fine and imprisonment.

Irregularities in proceeding	731**.** (1) No proceeding under this Act shall be invalidated by reason of any defect, irregularity, or deficiency of notice unless the court is of the opinion that injustice has been or may be caused thereby, which cannot be remedied by an order of the court. (2) The court may, if it thinks fit, make an order declaring that the proceeding is valid notwithstanding the defect, irregularity, or deficiency. (3) Notwithstanding subsections (1) and (2) or any other provision of this Act, where an omission, defect, error, or irregularity, including the absence of a quorum at any meeting of the company or of the directors, has occurred in the management or administration of a company whereby a provision of this Act has been contravened, or whereby there has been a default of a procedural or technical kind in the observance of the articles of association, or whereby any proceedings at or in connection with any meeting of the company or of the directors or any assembly purporting to be such a meeting have been rendered ineffective, including the failure to make or lodge with the Board, any declaration of solvency, the court- (a) may, either of its own motion or on the application of any interested person, make such order as it thinks fit to rectify or cause to be rectified, or to nullify, or modify, or cause to be modified, the consequences in law of any such omission, defect, error, or irregularity, or to validate any act, matter, or thing rendered or alleged to have been rendered invalid by or as a result of such omission, defect, error, or irregularity; (b) shall, before making such order, satisfy itself that such order would not do injustice to the company or to any member or creditor; (c) may, where any such order is made, give such ancillary or consequential directions as it thinks fit; (d) may determine what notice or summons is to be given to other persons of the intention to

	make such an application or of the intention to make such an order, and whether and how it should be given or served and whether it should be advertised in at least two local newspapers with wide circulation. (4) The court may, whether a company is in the process of being wound up or not, on good cause shown, enlarge or abridge any time for doing any act or taking any proceeding allowed or limited by this Act or any regulation on such terms as the justice of the case may require, and such enlargement may be ordered although the application is not made until after the time originally allowed or limited.

Arbitration and alternative dispute resolution	732. The shareholder agreement of a private company may stipulate that disputes concerning the existence, governance, or operation of the company, or any abuse of rights, are to be submitted to negotiation, mediation and arbitration.

Court's power to disqualify directors	733**.** (1) Where– (a)a person has, while a director of a company- (i) persistently failed to comply with this Act; (ii) persistently failed to take all reasonable steps to obtain compliance with this Act by the company; (iii) been guilty of fraud in relation to the company or of a breach of duty to the company or a shareholder; (iv) acted in a reckless or incompetent manner in the performance of his duties as director; (b) a person who, while being a director of a company, was wholly or substantially responsible for the company– (i) being wound up because of its inability to pay its debts as and when they become due; (ii) ceasing to carry on business because of its inability to pay its debts as and when they become due; (iii) entering into a scheme of compromise or arrangement with its creditors, the court may, on application, make an order that the person shall not, without the leave of the court, be a director or promoter of, or in any way, whether directly or indirectly, be concerned or take part in the management of a company for a period not exceeding 5 years as may be specified in the order. (2) Where, within the period of 7 years before the making of an application under this section, a person is a director of two or more companies to which subparagraphs (i), (ii), (iii) of paragraph (b) of subsection (1) apply, the court may make an order that the person may not be a director or promoter of, or in any way directly or indirectly be concerned in the management of a company for such period not exceeding 5 years, as may be specified in the order, unless that person satisfies the court - (a) that he was not wholly or substantially responsible for the insolvency of those companies; or

	(b) that it would not be just or equitable for the power to be exercised (3) A person intending to apply for an order under this section shall give not less than 10 days' notice of that intention to the person against whom the order is sought, and on the hearing of the application, the last-mentioned person may appear and give evidence or call witnesses. (4) An application for an order under this section may be made by the Board, or by the liquidator of the company, or by a person who is, or has been, a shareholder or creditor of the company; and on the hearing of– (a) an application for an order under this section by the Board or the liquidator; or (b) an application for leave under this section by a person against whom an order has been made on the application of the Board or the liquidator, the Board or the liquidator shall appear and call the attention of the court to any matters which seem to it or him to be relevant and may give evidence or call witnesses. (5) An order may be made under this section even though the person concerned may be criminally liable in respect of the matters on the ground of which the order is to be made. (6) The Director of the court shall, as soon as practicable after the making of an order under this section, give notice to the Board that the order has been made, and the Director shall publish in the Gazette and in at least two local newspapers the name of the person against whom the order is made. (7) Every person who acts in contravention of an order under this section commits an offence and is liable to a fine or to imprisonment for a term or to both the fine and imprisonment.

Board power of inspection	734. (1) For the purpose of ascertaining whether a company or an officer is complying with this Act, the Board may, on giving 72 hours' written notice to the company, call for the production of or inspect any book required to be kept by the company under this Act. (2) No person shall obstruct or hinder the Board or a person authorised by the Board, while exercising a power conferred by subsection (1). (3) Any person who contravenes subsection (2) commits an offence and is liable on conviction to a fine or imprisonment for a term, or to both the fine and imprisonment.
Appeals from Board decisions	735. (1) Any person who is aggrieved by an act or decision of the Board under this Act may appeal to a court as of right within 21 days after the date of notification of the act or decision, or within such further time as the court may allow. (2) On hearing the appeal, the court may approve the Board's act or decision or may give such directions or make such determination in the matter as it thinks fit.

Representative actions	736. (1) Where, under this Act, it is provided that if proceedings are instituted by any person, he shall sue in a representative capacity on behalf of himself and other members of a class, the following provisions shall apply:- (a) the person may commence proceedings in such representative capacity without obtaining the consent and approval of any other member of the class represented, and, subject to paragraph (b), the person shall have the sole conduct of the action and no other member of the class shall be deemed to be a party to the proceedings or in any way liable for the costs thereof; (b) any member of the class represented may at any time prior to the final judgement apply to the court for leave to be made a party to the proceedings, whether as co-plaintiff or otherwise, and the court may grant leave upon such terms regarding the conduct of the action and otherwise as it shall think fit; and if leave is granted, the applicant shall become a party to the proceedings and liable accordingly to have an order for costs made against him; (c) any judgment given in the action shall bind and inure to the benefit of all members of the class represented, whether or not they have intervened in the proceedings in accordance with paragraph (b); (d) no proceedings shall be dismissed, settled, or compromised without the leave of the Court, which may, if it thinks fit, order that notice of the proposed dismissal, settlement, or compromise shall be given to all members of the class represented and any other persons. (2) Nothing in this section shall affect the validity of any agreement between the members of the class represented, relating to contributions towards the costs of the party or parties suing in a representative capacity.
Annual report by the Board	737. The Board shall cause a general annual report of matters within this Act to be prepared and laid before Parliament.

Proof of signature	738**.** (1) All documents purporting to be orders or certificates made or issued by the Board for the purposes of this Act to be sealed with the seal of the Board or to be signed by the Director or any person authorised in that behalf by the Board shall be received in evidence and deemed to be such orders or certificates without further proof unless the contrary is shown. (2) A certificate signed by the Director stating that any order made, certificate issued, or act done is the order, certificate, or act of the Board shall be prima facie evidence of the fact so certified.
Regulations	739. The Board may, by statutory instrument, make regulations generally for the purposes of this Act, and in particular for prescribing or requiring - (a) the forms, returns, and other information required under this Act, (b) the procedure for obtaining any information required under this Act; (c) returns to be made within the specified period by any company or enterprise to which this Act applies; (d) any fees payable under this Act.
Penalty for Improper Use of Ltd.	740. If any person or persons trade or carry on business under any name or title of which “Limited” or any contraction or imitation of that word, is the last word, that person or those persons, unless duly incorporated with limited liability, shall be guilty of an offence and be liable to a fine for each day on which that name or title has been used.
References to registers, books and	741. Any reference in this Act to a register, book, record, ledger, minute book, account, document, filing, return or any other information required to be kept, maintained, produced, delivered or filed by a company, limited liability partnership, business name or the Board includes a reference to the same kept, maintained, produced, delivered or filed in electronic form in accordance with this Act and the Electronic Transactions Act 2019.

Digital Equivalence of Printed Documentation	742. (1) Any reference in this Act to the filing, lodging, delivery, production, or submission of a printed document shall be construed as including the filing, lodging, delivery, production, or submission of a digital or electronic copy, provided that the digital or electronic copy— (a) is submitted through a platform, system, or channel approved by the One- Stop Shop or the Registrar; and (b) complies with any technical or authentication requirements prescribed by regulations. (2) Notwithstanding subsection (1), where the One- Stop Shop or the Registrar expressly requires manual submission of a document in physical form, the requirement for printed documentation shall apply. (3) Regulations made under this Act may prescribe— (a) the formats, standards, and authentication methods for digital or electronic submissions; (b) circumstances in which digital submissions are mandatory; and (c) circumstances in which manual submissions may be required.

Corporate Sustainability and Stakeholder Interests	743. (1) A director of a company must act in good faith in a manner that he or she considers would be most likely to promote the long-term sustainable success of the company for the benefit of its members as a whole. (2) In discharging the duty under subsection (1), a director shall have regard (amongst other matters) to — (a) the likely long-term consequences of any decision; (b) the interests of the company's employees; (c) the need to foster the company's business relationships with suppliers, customers and others; (d) the impact of the company's operations on the community and the environment; and (e) the desirability of the company maintaining a reputation for high standards of business conduct and corporate responsibility. (3) The duty imposed by this section is subject to the overriding obligation of directors to act in the best interests of the company and, where the company is insolvent or nearing insolvency, to have regard to the interests of its creditors. (4) This section shall be applied proportionately, having regard to the size, nature and resources of the company. Small companies and single-member companies are encouraged, but not required, to have regard to the matters in subsection (2).

Notice by advertisement and alternative methods of publication.	744. (1) Where this Act requires or permits a company to give notice by advertisement, the company shall give that notice in accordance with this section. (2) A company giving notice by advertisement shall publish the notice by not fewer than two of the following methods, at least one of which shall be a method falling within subsection (3)— (a) publication in a newspaper circulating in the district or region in which the company's registered office is situated; (b) publication on the official website of the Board; (c) posting on the company's own website, where the company maintains one; (d) broadcast on a radio station licensed by the Independent Media Commission that broadcasts in the district or region in which the company's registered office is situated; (e) publication through the official social media channels of the Board or of the company, including any digital platform designated by the Board by notice published in the Gazette and tow local newspaper; or (f) such other method of publication as the Board may, by notice published in the Gazette, be prescribed as an approved method of advertisement for the purposes of this Act. (3) The following shall be deemed to be primary methods of publication for the purposes of subsection (2)— (a) publication on the official website of the Board; (b) broadcast on a licensed radio station as described in subsection (2)(d); and (c) any method prescribed by the Board under subsection (2)(f) as a primary method. (4) Where a company's registered office is situated in a district in which there is no newspaper or no newspaper that circulates with reasonable regularity, the company is not required to use newspaper publication as one of the two methods and may

	instead use any two methods from the remaining methods listed in subsection (2), provided that at least one is a primary method under subsection (3). (5) The Board shall maintain and publish on its official website an up-to-date list of— (a) newspapers and radio stations that, in the Board's assessment, circulate or broadcast with reasonable regularity in each district of Sierra Leone; and (b) digital platforms designated as approved methods of advertisement under subsection (2)(f), and a company that relies on that list in good faith for the purposes of this section shall be taken to have complied with the requirement to identify an appropriate publication method. (6) Where a company is a small company as defined in section 463 of this Act or is a single-member company, it may satisfy the advertisement requirement by— (a) posting the notice in a conspicuous place at its principal place of business for a period of not less than twenty-one days; and (b) delivering a copy of the notice by hand, registered post, or electronic means to every member, creditor, or other person entitled to receive it by name, in lieu of any newspaper, radio, or digital publication otherwise required by this section, unless this Act expressly provides that publication in a newspaper or by a specific method is mandatory. (7) An advertisement given in accordance with this section shall— (a) be in the English language or, where the company elects to also publish in a Sierra Leonean language, in both English and that language; (b) state clearly the name and registration number of the company;

	(c) set out all information required by the relevant provision of this Act to be included in the advertisement; and (d) state the date on which the notice is first published or broadcast. (8) For the purposes of this Act, the date of advertisement shall be— (a) where the notice is published in a newspaper, the date on which the newspaper bearing the notice is first circulated; (b) where the notice is published on a website, the date on which the notice first appears on that website; (c) where the notice is broadcast on radio, the date on which the notice is first broadcast; (d) where the notice is published by more than one method on different dates, the earliest of those dates; and (e) where the notice is delivered personally under subsection (6)(b), the date of delivery. (9) The Board may, by notice published in the Gazette, waive or vary the advertisement requirements of this section in respect of any category of notice or any category of company, where the Board is satisfied that the waiver or variation is consistent with the objects of this Act and does not materially prejudice the interests of any person entitled to receive notice. (10) Failure to comply with the advertisement requirements of this section does not invalidate the act or decision to which the advertisement relates unless this Act expressly provides otherwise or unless the Court is satisfied that the failure to give proper notice has caused or is likely to cause material prejudice to a person who was entitled to receive notice and who did not in fact receive it by any means. (11) For the avoidance of doubt, a reference in any other written law to publication in a newspaper in connection with any matter governed by this Act shall be construed as a reference to publication by any method authorised under this section.

	PART XXV – REPEALS AND TRANSITIONAL PROVISIONS
Repeal	745. (1) The following enactments are repealed: (a) the Companies Act 2009 and all subsequent amendments to the same; (b) the Business Registration Act 2007; (c) the General Law (Business Start-Up) (Amendment) Act 2007; and (d) any other enactment or provision inconsistent with this Act.

Savings	746. (1) All companies incorporated or registered under the repealed enactments shall, on the commencement of this Act, be deemed to be incorporated or registered under this Act and shall continue in existence as if formed under this Act. (2) Every certificate, licence, approval, registration, filing, notice, order or other instrument issued or made under any repealed enactment and in force immediately before the commencement of this Act shall continue in force and have effect as if issued or made under this Act until it expires, is revoked or replaced under this Act. (3) Any proceedings, investigations, audits, inspections, compliance actions or enforcement measures commenced under any repealed enactment and pending immediately before the commencement of this Act shall continue and be completed as if this Act had not been passed. (4) Any register, record, account, fund or database maintained under any repealed enactment shall be deemed to be part of the corresponding register, record, account, fund or database under this Act and shall be transferred to the Unified Business Registry without interruption. (5) All fees, penalties, fines or other moneys due and payable under any repealed enactment immediately before the commencement of this Act shall remain due and payable and may be recovered as if this Act had not been passed. (6) Any company that, at the commencement of this Act, qualifies as a small company under this Act shall be granted a transitional compliance period of not less than twelve months to adopt the simplified reporting, governance and filing requirements under this Act. (7) During the transitional period referred to in subsection (6), the Registry may— (a) waive or reduce filing fees; (b) accept abridged or simplified financial statements;

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	(c) provide model constitutional documents and compliance guidance; and (d) implement educational and outreach programmes to support compliance. (8) Any charge, debenture, mortgage, security interest or other encumbrance validly created and registered under any repealed enactment before the commencement of this Act shall remain fully enforceable and shall retain its priority ranking as if registered under this Act. (9) The Registry shall establish procedures for the orderly migration of existing charges and security interests to the unified registration system under this Act without loss of validity or priority. (10) Any person or entity required to file beneficial ownership information under this Act shall, within such transitional period as the Minister may prescribe by regulations, submit the required information in the prescribed form, and no penalty shall accrue during that period provided the submission is made in good faith. (11) The Minister may, by regulations, make such additional transitional, savings or consequential provisions as appear necessary or expedient to give full effect to this Act or to facilitate its implementation, including— (a) phased commencement of provisions; (b) transitional compliance thresholds; (c) migration of legacy records and data; (d) temporary continuation of existing fees, forms or procedures; and (e) any other matter incidental or supplemental to the transition.(12) Regulations made under subsection (11) shall be laid before Parliament as soon as may be after they are made and shall cease to have effect if annulled by resolution of Parliament within twenty-one sitting days.

Consequential amendments	747. The enactments listed in the Consequential Amendments Schedule are amended to the extent specified therein
Repeal and savings	748. (1) The name of any company which fails to apply for registration under subsection (2) within 6 months of the date of commencement of this Act will be struck off the register. (4) Any act done, executed or issued under the repealed Act and in force or operative before the commencement of this Act shall, so far as it could have been done, executed or issued under this Act, have effect as if done, executed or issued under this Act. (2) Subject to this section, the memorandum of association and articles of association of a company incorporated or registered under the repealed Act and the provisions of Table A in the First Schedule of that Act, if adopted as all or part of the articles of that company, shall have effect as if made or adopted under this Act. (3) Where a company formed before the commencement of this Act has, pursuant to its memorandum or articles or a resolution of the general meeting authorised directors of the company to issue shares and some part of the shares remain unissued, the directors may issue the shares on the terms and conditions and up to the limit expressed in the memorandum, articles or resolution without requiring the authority of a further resolution of the general meeting. (4) Any register, fund or account kept under the repealed Act shall be deemed to be part of a register, fund or account kept under the corresponding provision of this Act. (5) The provision of this Act with respect to winding up shall not apply to any company of which the winding up has commenced before the commencement of this Act; and the company shall be wound up in such manner and with the same incidents as if this Act had not been passed, and for purposes of the repealed Act, the provisions of the repealed Act shall be deemed to remain in force.
Commencement sequencing and phased implementation powers	749. This Act shall come into force on such date as may be appointed by publication in the Gazette.
	750.

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Schedules Outline

First Schedule Secs. 51, 60

Tables A, B, C, D, E

Memorandum of Association and Articles of Association for:Private company limited by share; Public company limited by shares; Company Limited by Guarantee;Unlimited Company, and MSMEs (Simplified Form)

Second Schedule Sections 448, 450, 451, 464, 471

Form and Content of Companies Financial Statements

Confirm approach with Institute of Chartered Accountants of Sierra Leone

Third Schedule – Section 452

Directors' Report

Fourth Schedule (Sections 478, 481)

Annual Returns For Companies Having Share Capital Other Than Small Companies

Unified System

Fifth Schedule (Sections 479, 481)

Annual Return of a Company Not Having Share Capital

Unified System

Sixth Schedule (*Sections* 480, 481, 486)

Annual Returns for Small Companies

Unified System

Seventh Schedule (Section 703)

Prospectus Minimum Content When a Public Company Offers Shares to Public

Eighth Schedule(Section 226)

Statement in Lieu of Prospectus

Ninth Schedule – Section 73

Provisions Regarding Matters Relating to Mutual Rights and Duties of Partners and Limited Liability Partnership and Its Partners Applicable In the Absence of Any Agreement on Such Matters

Tenth Schedule –

Beneficial Ownership Simplified Form

Eleventh Schedule(Section 616)

Winding Up **Forms for:**

-Appointment of an administrator, receiver, receiver manager or supervisor for company voluntary arrangement

-Application of striking-off by company

-Notice of Statutory Declaration of Solvency

-Appointment of liquidator

-Statement of Affairs.

Twelfth Schedule(Sections 20 and 298)

Fees Schedule

Thirteenth Schedule

Miscellaneous Forms

Fourteenth Schedule (714)

General Provisions Relating to Fines, Penalties, and Sentencing

SCHEDULES

FIRST SCHEDULE (Sections 51 and 60)

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TABLE A

FORM OF MEMORANDUM AND ARTICLES OF ASSOCIATION OF A PRIVATE COMPANY LIMITED BY SHARES

i. Memorandum of Association

1 . The name of the company is “ABC Unlimited.

2. The registered office of the company will be situated in Freetown.

3. The objects for which the company is established are as follows:

a.

b.

c. To undertake all other lawful objects.

AND IT IS HEREBY DECLARED THAT:

The objects specified in each of the paragraphs of this clause shall be regarded as independent objects and accordingly shall in no way be limited or restricted (except the contrary is expressly stated) by reference to or inference from the terms of any other paragraph or the name of the Company, but may be carried out in as full and as ample a manner and construed in as wide a sense as if each of the said paragraphs defined the objects clause of a separate and distinct company.

4. The Company is a Private Company.

5. The liability of the members is limited to the amount, if any, unpaid on the shares held by them..

6. The Issued Share Capital of the Company is ____ divided into ____, (state classes of shares, if any and their units).

I/we whose name(s) and address(es) is/are subscribed herein is/are desirous of being formed into a company in pursuance of the Memorandum of Association and I/we respectively agree to take the number of shares indicated opposite my/our name(s).

Dated this day of March, 2026

WITNESS

Name:

Address:

Signature:

Date:

Note: Pursuant to Sections 197-198 of the Companies and Business Registration Act2026, share capital refers to the amount of money that shareholders have committed to the company. Share capital can be issued with or without full payment from shareholders. There is no minimum issued share capital when you incorporate a private company. “Paid up capital” refers to the amount shareholders have paid to the company for their shares in such amount as the subscribers may determine, including in the case of a private company zero minimum paid-in capital at the time of incorporation.

2. Articles of Association

Part 1

Interpretation and Limited Liability

Defined terms

1. In this constitution unless the context otherwise requires, “Act” means the Sierra Leone Companies and Business Registration Act, 2026. Unless the context requires otherwise, words or expressions have the meanings assigned to them in this Act; and references to sections of this Act mean the sections as specified in this Act. A private company may, in a constitution registered by the private company, exclude or modify any of the provisions of this Schedule to the extent permitted by this Act.

Liability of members

2. The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

Part 2

Shares

All shares to be fully paid up

3. --(1) No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.

(2) This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

Powers to issue different classes of share

4. --(1) Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.

(2) The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

Company only bound by absolute interests

5. Except as required by law, no person is to be recognised by the company as holding any share upon any trust, and except as otherwise required by law or the articles, the company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

Issuance of share certificates

6.—(1) The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.

(2) Every certificate must specify—

(a) in respect of how many shares, of what class, it is issued;

(b) the nominal value of those shares;

(c) that the shares are fully paid; and

(d) any distinguishing numbers assigned to them.

(3) No certificate may be issued in respect of shares of more than one class.

(4) If more than one person holds a share, only one certificate may be issued in respect of it.

(5) Certificates must—

(a) have affixed to them the company's common seal, or

(b) be otherwise executed in accordance with the Companies Acts.

Replacement share certificates

7.—(1) If a certificate issued in respect of a shareholder's shares is—

(a) damaged or defaced, or

(b) said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.

(2) A shareholder exercising the right to be issued with such a replacement certificate—

(a) may at the same time exercise the right to be issued with a single certificate or separate certificates;

(b) must return the certificate which is to be replaced to the company if it is damaged or defaced; and

(c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

Transfer of Shares

8.—(1) Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.

(2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.

(3) The company may retain any instrument of transfer which is registered.

(4) The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

(5) The directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

Transmission of shares

9. --(1) If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.

(2) A transmittee who produces such evidence of entitlement to shares as the directors may properly require—

(a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and

(b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

(3) But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

Exercise of transmittees' rights

10.—(1) Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.

(2) If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.

(3) Any transfer made or executed under this article is to be treated as if it were made or

executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

Transmittees bound by prior notices

11. If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name has been entered in the register of members.

Part 3

Directors

Directors' general authority

12. Subject to the articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company.

Shareholders' reserve power

13.—(1) The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.

(2) No such special resolution invalidates anything which the directors have done before the passing of the resolution.

Directors may delegate

14.—(1) Subject to the articles, the director or directors may delegate any of the powers which are conferred on them under the articles—

(a) to such person or committee;

(b) by such means (including by power of attorney);

(c) to such an extent;

(d) in relation to such matters or territories; and

(e) on such terms and conditions;

as they think fit.

(2) If the director or directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

(3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

Committees

15. --(1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.

(2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

Directors to take decisions collectively

16.—(1) The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 17.

(2) **If the company only has one director, (and no provision of the articles requires it to have more than one director) the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making.**

Unanimous decisions

17. --(1) A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.

(2) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.

(3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.

(4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

Calling a directors' meeting

18.—(1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the **company secretary (if any)** to give such notice.

(2) Notice of any directors' meeting must indicate—

(a) its proposed date and time;

(b) where it is to take place; and

(c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

(3) Notice of a directors' meeting must be given to each director, but need not be in writing.

(4) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

Participation in directors' meetings

19.—(1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when—

(a) the meeting has been called and takes place in accordance with the articles, and

(b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

(2) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.

(3) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

Quorum for directors' meetings

20. --(1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

(2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.

(3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision—

(a) to appoint further directors, or

(b) to call a general meeting so as to enable the shareholders to appoint further directors.

Chairing of directors' meetings

21.—(1) The directors may appoint a director to chair their meetings.

(2) The person so appointed for the time being is known as the chairman.

(3) The directors may terminate the chairman's appointment at any time.

(4) If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

Casting vote

22. --(1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.

(2) But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

Conflicts of interest

23. --(1) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.

(2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.

(3) This paragraph applies when—

(a) the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;

(b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or

(c) the director's conflict of interest arises from a permitted cause.

(4) For the purposes of this article, the following are permitted causes—

(a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;

(b) subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and

(c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.

(5) For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.

(6) Subject to paragraph (7), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of

the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.

(7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

Records of decisions to be kept

24. The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

Directors' discretion to make further rules

25. Subject to the articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

Methods of appointing directors

26.—(1) Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director—

(a) by ordinary resolution, or

(b) by a decision of the directors.

(2) In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.

(3) For the purposes of paragraph (2), where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

Termination of director's appointment

27. A person ceases to be a director as soon as—

(a) that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;

(b) a bankruptcy order is made against that person;

(c) a composition is made with that person's creditors generally in satisfaction of that person's debts;

(d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;

(e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;

(f) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

Directors' remuneration

28. --(1) Directors may undertake any services for the company that the directors decide.

(2) Directors are entitled to such remuneration as the directors determine—

(a) for their services to the company as directors, and

(b) for any other service which they undertake for the company.

(3) Subject to the articles, a director's remuneration may—

(a) take any form, and

(b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

(4) Unless the directors decide otherwise, directors' remuneration accrues from day to day.

(5) Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

Directors' expenses

29. The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at—

(a) meetings of directors or committees of directors,

(b) general meetings, or

(c) separate meetings of the holders of any class of shares or of debentures of the company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

Part 4

General Meetings

Decision by Resolution in Lieu of General Meeting

30. As provided in section 310 of the Act, the company is exempt from the requirement to hold an annual general meeting for a financial year if all members entitled to attend and vote have signed an "AGM Dispensation Agreement." Where an exemption applies all business required to be transacted at an AGM (including the appointment of auditors and election of directors) shall be conducted via Written Resolution under Section 329(1). The AGM Dispensation Agreement remains valid for subsequent years until revoked by any single member giving written notice to the company at least 30 days before the end of the financial year. Notwithstanding a Dispensation Agreement, a general meeting shall be convened if members holding not less than ten percent (10%) of the total voting rights serve a written notice on the company requiring an AGM. The director or directors must, within 21 days of the notice, send out a notice convening the meeting.

Attendance and speaking at general meetings

31. --(1) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

(2) A person is able to exercise the right to vote at a general meeting when—

(a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

(b) that person’s vote can be taken into account in determining whether or not such

resolutions are passed at the same time as the votes of all the other persons attending the meeting.

(3) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

(4) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

(5) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

Quorum for general meetings

32. No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

Chairing general meetings

33. --(1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

(2) If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start—

(a) the directors present, or

(b) (if no directors are present), the meeting,

must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

(3) The person chairing a meeting in accordance with this article is referred to as “the chairman of the meeting”.

Attendance and speaking by directors and non-shareholders

34.—(1) Directors may attend and speak at general meetings, whether or not they are

shareholders.

(2) The chairman of the meeting may permit other persons who are not—

(a) shareholders of the company, or

(b) otherwise entitled to exercise the rights of shareholders in relation to general meetings,

to attend and speak at a general meeting.

Adjournment

35.—(1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

(2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if—

(a) the meeting consents to an adjournment, or

(b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

(3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

(4) When adjourning a general meeting, the chairman of the meeting must—

(a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and

(b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

(5) If the continuation of an adjourned meeting is to take place 14 days or more, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)—

(a) to the same persons to whom notice of the company's general meetings is required to be given, and

(b) containing the same information which such notice is required to contain.

(6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

Voting at General Meetings

36. A resolution put to the vote of a general meeting must be decided on a show of hands or votes cast, unless a poll is duly demanded in accordance with the articles. provided that in the case of an electronic meeting, voting may be done electronically or by count of voice concurrence.

Errors and disputes

37.—(1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

(2) Any such objection must be referred to the chairman of the meeting, whose decision is final.

Poll votes

38.—(1) A poll on a resolution may be demanded—

(a) in advance of the general meeting where it is to be put to the vote, or

(b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

(2) A poll may be demanded by—

(a) the chairman of the meeting;

(b) the directors;

(c) two or more persons having the right to vote on the resolution; or

(d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.

(3) A demand for a poll may be withdrawn if—

(a) the poll has not yet been taken, and

(b) the chairman of the meeting consents to the withdrawal.

(4) Polls must be taken immediately and in such a manner as the chairman of the meeting directs.

Content of proxy notices

39.—(1) Proxies may only validly be appointed by a notice in writing (a "proxy notice") which—

(a) states the name and address of the shareholder appointing the proxy;

(b) identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;

(c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and

(d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.

(2) The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

(3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

(4) Unless a proxy notice indicates otherwise, it must be treated as—

(a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and

(b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

Delivery of proxy notices

40.—(1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.

(2) An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

(3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

(4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

Amendments to resolutions

41.—(1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—

(a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and

(b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

(2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—

(a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and

(b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

(3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

Part 5

Dividends and Other Distributions

Procedure for declaring dividends

42.—(1) The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

(2) A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.

(3) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.

(4) Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by

reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.

(5) If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.

(6) The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

(7) If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

Payment of dividends and other distributions

43.—(1) Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means—

(a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;

(b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;

(c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or

(d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

(2) In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable—

(a) the holder of the share; or

(b) if the share has two or more joint holders, whichever of them is named first in the register of members; or

(c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or

otherwise by operation of law, the transmittee.

No interest on distributions

44. The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by—

(a) the terms on which the share was issued, or

(b) the provisions of another agreement between the holder of that share and the company.

Unclaimed distributions

45.—(1) All dividends or other sums which are—

(a) payable in respect of shares, and

(b) unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the directors for the benefit of the company until claimed.

(2) The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.

(3) If—

(a) twelve years have passed from the date on which a dividend or other sum became due for payment, and

(b) the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company **and should be included in the report that should be submitted to the other shareholders of the company.**

Non-cash distributions

46.—(1) Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

(2) For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution—

(a) fixing the value of any assets;

(b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and

(c) vesting any assets in trustees.

Waiver of distributions

47. Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if—

(a) the share has more than one holder, or

(b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

Capitalization of profits

48.—(1) Subject to the articles, the directors may, if they are so authorised by an ordinary resolution—

(a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and

(b) appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.

(2) Capitalised sums must be applied—

(a) on behalf of the persons entitled, and

(b) in the same proportions as a dividend would have been distributed to them.

(3) Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

(4) A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.

(5) Subject to the articles the directors may—

(a) apply capitalised sums in accordance with paragraphs (3) and (4) partly in one way and partly in another;

(b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and

(c) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

Part 6

Miscellaneous Provisions

Means of communication to be used

49.—(1) Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.

(2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

(3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

Company seals

50.—(1) Any common seal may only be used by the authority of the directors.

(2) The directors may decide by what means and in what form any common seal is to be used.

(3) Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

(4) For the purposes of this article, an authorised person is—

(a) any director of the company;

(b) the company secretary (if any); or

(c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

No right to inspect accounts and other records

51. Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a shareholder.

Provision for employees on cessation of business

52. The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

Indemnity

53.—(1) Subject to paragraph (2), a relevant director of the company or an associated company may be indemnified out of the company's assets against—

(a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company,

(b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme,

(c) any other liability incurred by that director as an officer of the company or an associated company.

(2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

(3) In this article—

(a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

(b) a “relevant director” means any director or former director of the company or an associated company.

Insurance

54.—(1) The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.

(2) In this article—

(a) a “relevant director” means any director or former director of the company or an associated company,

(b) a “relevant loss” means any loss or liability which has been or may be incurred by a relevant director in connection with that director’s duties or powers in relation to the company, any associated company or any pension fund or employees’ share scheme of the company or associated company, and

(c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

NAME, ADDRESS AND DESCRIPTION OF SUBSCRIBERS	**SIGNATURE**

Dated this day of …… 2026.

WITNESS

Name:

Address:

Signature:

Date

TABLE B

MEMORANDUM AND ARTICLES OF ASSOCIATION OF A PUBLIC COMPANY LIMITED BY SHARES

1. Memorandum of Association

1 . The name of the company is “ABC Unlimited.”

2. The registered office of the company will be situated in Freetown.

3. The objects for which the company is established are as follows:

a.

b.

c. To undertake all other lawful objects.

AND IT IS HEREBY DECLARED THAT:

The objects specified in each of the paragraphs of this clause shall be regarded as independent objects and accordingly shall in no way be limited or restricted (except the contrary is expressly stated) by reference to or inference from the terms of any other paragraph or the name of the Company, but may be carried out in as full and as ample a manner and construed in as wide a sense as if each of the said paragraphs defined the objects clause of a separate and distinct company.

4. The Company is a public company.

5. The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

6. The Issued Capital of the Company is divided into

(state classes of shares, if any and their units).

I/we whose name(s) and address(es) is/are subscribed herein is/are desirous of being formed into a company in pursuance of the Memorandum of Association and I/we respectively agree to take the number of shares indicated opposite my/our name(s).

Dated this day of March, 2026

WITNESS

Name:

Address:

Signature:

Date:

2. Articles of Association

Defined terms

In this constitution unless the context otherwise requires, “Act” means the Sierra Leone Companies and Business Registration Act, 2026. Unless the context requires otherwise, words or expressions have the meanings assigned to them in this Act; and references to sections of this Act mean the sections as specified in this Act. A private company may, in a constitution registered by the private company, exclude or modify any of the provisions of this Schedule to the extent permitted by this Act.

Liability of members

The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

Shares.

1. Subject to the provisions, if any, in that behalf of the memorandum of association and without prejudice to any special rights previously conferred on the holders of existing shares, any share may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of share capital or otherwise, as the company may from time to time by special resolution determine: and any preference share may, with the sanction of a special resolution, be issued on the terms that it is, or at the option of the company is, liable to be redeemed.

2. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting of these rules relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll.

3. Every person whose name is entered as a member in the register of members shall, without payment, be entitled to a certificate under the seal of the company specifying the share or shares held by him and the amount paid up thereon, provided that in respect of a share or shares held jointly by several persons the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.

4. If a share certificate is defaced, lost or destroyed, it may be renewed on payment of such fee, if any, not exceeding Le10,000, and on such terms if any, as to evidence and indemnity, as the directors think fit.

5. No part of the funds of the company shall directly or indirectly be employed in the purchase of, or in loans upon the security of the company's shares, but nothing in this rule shall prohibit the provision of financial assistance by the company for the purchase of its own shares.

Lien.

6. The company shall have a lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share, and the company shall also have a lien on all shares (other than fully paid shares) standing registered in the name of a single person for all moneys at present payable by him or his estate to the company; but the directors may at any time declare any share to be wholly or in part exempt from the provisions of this rule. The company's lien if any, on a share shall extend to all dividends payable thereon.

7. The company may sell, in such manner as the directors think fit, any shares on which the company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is readily payable, nor until the expiration of 14 days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is readily payable, has been given to the registered holder for the time being of the share, or the person entitled thereto by reason of his death or bankruptcy.

8. For giving effect to such sale the directors may authorise a person to transfer the shares sold to the purchaser. The purchaser shall be registered as the holder of the shares comprised in such transfer and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

9. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is readily payable and the residue shall (subject to a like lien for sums not readily payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the date of the sale.

Calls on Shares

10. The directors may, from time to time make calls upon the members in respect of any moneys unpaid on their shares provided that no call shall exceed one- fourth of the nominal amount of the share, or be payable at less than one month from the last call; and each member shall, subject to receiving at least fourteen days' notice specifying the time or times of payment, pay to the company at the time or times so specified the amount called on his shares.

11. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

12. If a sum called in respect of a share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest upon the sum at the rate of six per centum per annum from the day appointed for the payment to the time of the actual payment, but the directors shall be at liberty to waive payment of that interest wholly or in part.

13. The provisions of these rules as to the liability of joint holders and as to payment of interest shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium, as if it had become payable by virtue of a call duly made and notified.

14. The directors may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment.

15. The directors may, if they think fit, receive from any member, willing to advance money, all or any part of the moneys uncalled and unpaid upon any shares held by him; and upon all or any of the moneys so advanced may (until they would, but for such advance, become presently payable) pay interest at such rate (not exceeding, without the sanction of the company in general meeting, 6 percent) as may be agreed upon between the member paying the sum in advance and the director*.*

Transfer and transmission of shares

16. The instrument of transfer of any share shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect of the transfer.

17. Shares shall be transferred in the following form, or in any usual or common form which the directors shall approve-

I, A. B., of…….in consideration of the sum of Le…….. paid to me by C. D., of…… , (here after called “the transferee”) do hereby transfer to the said transferee the share (or shares) numbered……in the undertaking called the……..Company Limited, to hold unto the transferee, his executors, administrators and assigns, subject to the conditions on which I hold the same: and I, the transferee, do hereby agree to take the share (or shares) subject to these conditions. As witness our hands the ……day of…….20…

Witness to the signatures of, etc.

18. The directors may decline to register any transfer of shares, not being fully paid shares, to a person of whom they do not approve, and may also decline to register any transfer of shares on which the company has a lien. The directors may also suspend the registration of transfers during the fourteen days immediately preceding the ordinary general meeting in each year. The directors may decline to recognise any instrument of transfer unless.

(a) a fee not exceeding Le20,000 is paid to the company in respect thereof; and

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer. If the directors refuse to register a transfer of any shares, they shall within 2 months after the date on which the transfer was lodged with the company send to the transferee notice of the refusal.

19. The executors or administrators of a deceased sole holder of a share shall be the only persons recognized by the company as having any title to the share. In the case of a share registered in the names of two or more holders, the survivors or survivor, or the legal personal representatives of the deceased survivor, shall be the only persons recognized by the company as having any title to the share.

Forfeiture of Shares

20. If a member fails to pay any call or instalment of a call on the day appointed for payment, the directors may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

21. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed, the share in respect of which the call was made will be liable to be forfeited.

22. If the requirements of such notice are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made be forfeited by a resolution of the directors to that effect.

23. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the directors think fit, and at any time before a sale or disposition, the forfeiture may be cancelled on such terms as the directors think fit.

24. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding remain, liable to pay to the company all moneys which, at the date of the forfeiture, were presently payable by him to the company in respect of the shares, but his liability shall cease if and when the company receives payment in full of the nominal amount of the shares

25. A statutory declaration in writing that the declarant is a director of the company and that a share in the company has been duly forfeited on a date stated in the declaration, shall be prima facie evidence of the facts stated in it as against all persons claiming to be entitled to the share.

26. The provisions of these rules as to forfeiture shall apply in the case of non- payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium, as if it had been payable by virtue of a call duly made and notified.

Conversion of shares into stock

27. The company may, by ordinary resolution convert any paid-up shares into stock, and reconvert any stock into paid-up shares of any denomination.

28. The holders of stock may transfer it or any part, in the same manner, and subject to the same rules, as and subject to which, the shares from which the stock arose might, previous to the conversion have been transferred, or as near thereto as circumstances admit; but the directors may from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, but the minimum shall not exceed the nominal amount of the shares from which the stock arose.

29. The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the company) shall be conferred by such aliquot part of stock as would not, if existing in shares, have conferred that privilege or advantage.

30. Such of the rules of the company as are applicable to paid-up shares shall apply to stock, and the words “share” and “shareholder” therein shall include “stock” and “ stockholder ”.

Alteration of capital

31. The company may, from time to time by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.

32. Subject to any direction to the contrary that may be given by the company in general meeting, all new shares shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time, within which the offer, if not accepted , will be deemed to be declined, and after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the directors may dispose of those shares in such manner as they think most beneficial to the company. The directors may likewise dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the directors, be conveniently offered under this article.

33. The new shares shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the shares in the original share capital.

34. The company may by ordinary resolution—

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the memorandum of association subject nevertheless, to this Act;

(c) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

35. The company may, by special resolution, reduce its share capital and any capital redemption reserve fund in any manner and with, and subject to any incident authorized, and consent required, by law.

General meetings

36. A general meeting shall be held once in every calendar year at such time (not being more than fifteen months after the holding of the last preceding general meeting) and place as may be prescribed by the company in general meeting, or in default, at such time in the third month following that in which the anniversary of the company's incorporation occurs and at such place, as the directors shall appoint. In default of a general meeting being so held, a general meeting shall be held in the month next following and may be convened by any two members in the same manner as nearly as possible as that in which meetings are to be convened by the director.

37. The above-mentioned general meetings shall be called ordinary general meetings; all other general meetings shall be called extraordinary general meetings.

38. The directors may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or, in default may be convened by members of the company holding, at the date of the deposit of the requisition, not less than one-tenth of the paid-up capital of the company. If at any time there are not within Sierra Leone sufficient directors capable of acting to form a quorum, any director or any two members of the company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the directors.

Notice of general meetings

39. Subject to the Act relating to special resolution, seven days' notice at least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given) specifying the place, the day and the hour of meeting and, in case of special business, the general nature of that business shall be given in the manner hereinafter mentioned, or in such other manner, if any, as may be prescribed by the company in general meeting, to such persons as are, under the rules of the company, entitled to receive such notices from the company; but with the consent of all the members entitled to receive notice of some particular meeting may be convened by such shorter notice and in such a manner as those members may think fit.

40. The accidental omission to give notice of a meeting to, or the nonreceipt of notice of a meeting by, any member shall not invalidate the proceedings at any meeting.

Proceedings at general meetings

41. All business shall be deemed special that is transacted at an extraordinary meeting, and all that is transacted at an ordinary meeting, with the exception of sanctioning a dividend, the consideration of the accounts, balance sheet and the ordinary report of the directors and auditors, the election of directors and other officers in the place of those retiring by rotation and fixing of the remuneration of the auditors.

42. If within half an hour from the time appointed for the meeting, a quorum of members is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.

43. The chairman, if any, of the board of directors shall preside as chairman at every general meeting of the company.

44. If there is no such chairman, or if at any meeting he is not present within thirty minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the members present shall choose one of their number to be chairman.

45. The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) , adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at a meeting from which the adjournment took place. When a meeting is adjourned for ten days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of the business to be transacted at an adjourned meeting.

46. At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands, or votes cast digitally in the case of a virtual meeting, unless a poll is (before or on the declaration of result of the show of hands or votes cast digitally in the case of a virtual meeting) demanded by at least three members present in person or by proxy entitled to vote or by one members or two member so present and entitled, if that member or those two members together hold not less than fifteen per cent of the paid-up capital of the company and , unless a poll is so demanded, a declaration by the chairman that a resolution has, on a show of hands, or votes cast digitally in the case of a virtual meeting, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book of the proceedings of the company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, that resolution.

47. If a poll is duly demanded, it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

48. In the case of an equality of votes, whether on a show of hands or votes cast digitally in the case of a virtual meeting or on a poll, the chairman of the meeting, at which the show of hands takes place or votes cast digitally in the case of a virtual meeting or at which the poll is demanded, shall be entitled to a second or casting vote.

49. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded, shall be entitled to a second or casting vote.

Votes of members

50. On a show of hands, or votes cast digitally in the case of a virtual meeting every member present in person shall have one vote. On a poll every member shall have one vote for each share of which he is the holder.

51. In the case of joint holders, the vote of the senior, who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of members.

52. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or votes case digitally in the case of a virtual meeting or on a poll, by his committee or other legal guardian appointed by that court, and such committee or other legal guardian may, on a poll, vote by proxy.

53. No member shall be entitled to vote at any general meeting unless all calls or other sums payable by him in respect of shares in the company have been paid.

54. On a poll, votes may be given either personally or by proxy.

55. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal, or under the hand of an officer or attorney duly authorised. A proxy need not be a member of the company.

56. The instrument appointing a proxy and power of attorney or other authority, if any under which it is a signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the company not less than seventy –two hours before the time for holding the meeting or adjourned meeting, at which the person named in the instrument proposes to vote, and in default, the instrument of proxy shall not be treated as valid.

57. An instrument appointing a proxy may be in the following form, or any other form which the directors shall approve.

…….Company, Limited.

"I,……., of ……..., in the …….., being a member of

the …… Company. Limited, hereby appoint …. of ….. as my proxy to vote for me and on my behalf at the (ordinary or

extraordinary, as the case may be) general meeting of the company to be held on

the ……day of …….20 ……., and at any adjourned thereof .''

Signed this…….... day of ……20……

58. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

59. Any corporation which is a member of the company may by resolution of its directors or other governing body authorize such person as its thinks fit to act as its representative at any meeting of the company or of any class of members of the company, and the person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the company.

60. The number of the directors and the names of the first directors shall be determined in writing by a majority of the subscribers of the memorandum of association.

61. The qualification of a director shall be the holding of at least one share in the company.

Powers and duties of Directors

62. The business of the company shall be managed by the directors, who may pay all expenses incurred in setting up and registering the company, and may exercise all such powers of the company, as are not, by the Act, or by these articles, required to be exercised by the company in **a** general meeting, subject, nevertheless, to any rule of these articles, to this Act, and to such rules, being not inconsistent with the rules or provisions, as may be prescribed by the company in general meeting; but no rule made by the company in general meeting shall invalidate any prior act of the directors which would have been valid if that rule had not been made.

63. The directors may from time to time appoint one or more of their number to the office of managing director or manager for such term and at such remuneration (whether by way of salary, or commission, or participation in profits or partly in one way and partly in another) as they may think fit, and a director so appointed shall not, while holding that office, be subject to retirement by rotation, or taken into account in determining the rotation or retirement of directors; but his appointment shall be subject to determination *ipso facto* if he ceases from any cause to be a director, or if the company in general

meeting resolve that his tenure of the office as managing director or manager be determined.

64. The amount for the time being remaining undischarged of monies borrowed or raised by the directors for the purposes of the company (otherwise than by the issue of share capital) shall not at any time exceed the issued share capital of the company without the sanction of the company in general meeting.

65. The directors shall cause minutes to be made in books provided for the purpose—

(a) of all appointments of officers made by the directors;

(b) of the names of the directors present at each meeting of the directors and of any committee of the directors;

(c) of all resolutions and proceedings at all meetings of the company, and of the directors, and of committees of directors; and every director present at any meeting of directors or committee of directors shall sign his name in a book to be kept for that purpose.

The seal

66. If the company has a common seal, the seal of the company shall not be affixed to any instrument except by the authority of a resolution of the board of directors, and in the presence of a director and the secretary or such other person as the directors may appoint for the purpose; and that director and the secretary or other person shall sign every instrument to which the seal of the company is so affixed in their presence.

Disqualification of Directors

67. The office of director shall be vacated, if the director—

(i) ceases to be a director;

(ii) without the consent of the company in general meeting holds any other office of profit under the company except that of managing director or manager;

(iii) becomes bankrupt;

(iv) becomes prohibited from being a director by reason of any order made under section 345 of the Act [Insolvent person acting as director];

(v) is found to be a lunatic or becomes of unsound mind;

(vi) resign his office by notice in writing to the company;

(vii) is directly or indirectly interested in any contract with the company or participates in the profits of any contract with the company;

(viii) is punished with; imprisonment for a term exceeding six months without the option of a fine.

Provided, however, that a director shall not vacate his office by reason of his being a member of any corporation which has entered into contracts with or done any work for the company if he shall have declared the nature of his interest in a manner required by **section 369** [Duties of the Director in connection with the sales of the company's securities] but the Director shall not vote in respect of any such contract or work or any matter arising thereout, and if he does so vote his vote shall not be counted.

Rotations of directors

68. The directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

69. A retiring director shall be eligible for re-election

70. The company at the general meeting at which a director retires in manner aforesaid may fill up the vacated office by electing a person thereto and in default the retiring director shall be deemed to have been re-elected unless at such meeting it is resolved not to fill up such vacated office.

71. The company may from time to time in general meetings increase or reduce the number of directors, and may also determine in what rotation the increased or reduced number is to go out of the office.

72. Any casual vacancy occurring in the board of directors may be filled up by the directors, but the person so chosen shall be the subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.

73. The directors shall have power at any time, and from time to time, to appoint a person as an additional director who shall retire from office at the next following ordinary general meeting, but shall be eligible for election by the company at that meeting as an additional director.

Proceedings of directors

74. The directors may meet together for the dispatch of business, adjourn, and otherwise regulate their meetings, as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the chairman shall have a second or casting vote. A director may, and the secretary on the requisition of a director shall, at any time summon a meeting of the directors.

75. The quorum necessary for the transaction of the business of the directors may be fixed by the directors, and unless so fixed shall, when the number of directors exceeds three be three, and when the number of directors does not exceed three, be two.

76. The continuing directors may act notwithstanding any vacancy in their body but, if and so long as their number is reduced below the number fixed by or pursuant to the regulations of the company as the necessary quorum of directors, the continuing directors may act for the purpose of increasing the number of directors to that number, or of summoning a general meeting of the company, but for no other purpose.

77. The directors may elect the chairman of their meetings and determine the period for which he is to hold office; but if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting the directors present may choose one of their number to be chairman of the meeting.

78. The directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the directors.

79. A committee may elect a chairman of its meetings; if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to be chairman of the meeting.

80. A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes the chairman shall have a second or casting vote.

81. All acts done by any meeting of the directors or of a committee of directors, or by any person acting as a director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of such director or person acting as director, or that they or any of them were disqualified, be as valid as if such person had been duly appointed and was qualified to be a director.

Dividends and reserves

82. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the directors.

83. The directors may from time to time pay to the members such interim dividends as appear to the directors to be justified by the profits of the company.

84. No dividend shall be paid otherwise than out of profits.

85. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid on the shares, but if and so long as nothing is paid up on any of the shares in the company, dividends may be declared and paid according to the amounts of the shares. No amount paid on a share in advance of calls shall, while carrying interest, be treated for the purposes of this article as paid on the share.

86. The directors may, before recommending any dividend, set aside out of the profits of the company such sums as they think proper as a reserve or reserves which shall, at the discretion of the directors, be applicable for meeting contingencies, or for equalizing dividends, or for any other purpose to which the profits of the company may be properly applied, and pending such application may, at the discretion, the directors either be employed in the business of the company or be invested in such investments (other than shares of the company) as the directors may from time to time think fit.

87. If several persons are registered as joint holders of any share, any one of them may give effectual receipts for any dividend or other moneys payable on or in respect of the share.

88. Any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled to it or in the case of joint holders to any one of the joint holders at his registered address or to the person and the address as the member or person entitled or the joint holders as the case may be. Every cheque or warrant shall be made payable to the order of the person to whom it is sent or to the order of the other person as the member or person entitled or the joint holders as the case may be.

89. No dividend shall bear interest against the company.

90. The directors shall cause true accounts to be kept with respect to-

(a) all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place;

(b) all sales and purchases of goods by the company; and

(c) the assets and liabilities of the company.

91. The books of account shall be kept at the registered office of the company, or at such other places or places as the directors think fit, and shall always be open to the inspection of the directors.

92. The directors shall, from time to time in accordance with **section 455** [Directors Duty to prepare annual accounts] cause to be prepared and to be laid before the company in general meeting the financial statements of the company.

Communications ~~Notices~~

Means of Communication to be Used

93. (1) Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.

(2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

(3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

Failure to Notify Contact Details

94. If—(1)

(a) the company sends two consecutive documents to a member over a period of at least 12 months, and

(b) each of those documents is returned undelivered, or the company receives notification that it has not been delivered, that member ceases to be entitled to receive notices from the company.

(2) A member who has ceased to be entitled to receive notices from the company becomes entitled to receive such notices again by sending the company—

(a) a new address to be recorded in the register of members, or

(b) if the member has agreed that the company should use a means of communication other than sending things to such an address, the information that the company needs to use that means of communication effectively.

TABLE C

MEMORANDUM AND ARTICLES OF ASSOCIATION OF A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL.

1. MEMORANDUM OF ASSOCIATION

1 . The name of the company is “ABC Unlimited.”

2. The registered office of the company will be situated in Freetown.

3. The objects for which the company is established are as follows:

a.

b.

c. To undertake all other lawful objects.

AND IT IS HEREBY DECLARED THAT:

The objects specified in each of the paragraphs of this clause shall be regarded as

independent objects and accordingly shall in no way be limited or restricted (except the contrary is expressly stated) by reference to or inference from the terms of any other paragraph or the name of the Company, but may be carried out in as full and as ample a manner and construed in as wide a sense as if each of the said paragraphs defined the objects clause of a separate and distinct company.

4. The Company is a Private Company.

5. The liability of the members is limited by guarantee.

6. The income and property of the company shall be applied solely towards the promotion of its objects, and no portion of the income or property shall be paid or transferred directly or indirectly to the members of the company except as permitted by or under the Companies and Business Registration Act2026.

7. Every member of the company undertakes to contribute to the assets of the company the amount subscribed opposite his name in the event of its being wound up while he is member or within one year afterwards, for payment of the debts and liabilities of the company contracted before he ceases to be a member, and the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves howsoever that the aggregate contribution is not less than .

I/we whose names and addresses are subscribed, are desirous of being formed into a company, in pursuance of this memorandum of association,

Names, addresses, and descriptions of subscribers.

Dated this day of March, 2026

WITNESS

Name:

Address:

Signature:

Date:

2. ARTICLES OF ASSOCIATION TO ACCOMPANY THE PRECEDING MEMORANDUM OF ASSOCIATION.

Members

1. The number of members with which the company proposes to be registered is _____, but the directors may, from time to time, register an increase in the number of members.

2. The subscribers to the memorandum of association and such other persons as the directors shall admit to membership shall be members of the company.

General meetings

3. The first general meeting shall be held at such time, not being less than one month or more than three months after the incorporation of the company, and at such place as the directors may determine.

4. A general meeting shall be held once in every calendar year at such time (not being more than fifteen months after the holding of the last preceding general meeting) and place as may be prescribed by the company in general meeting, or in default, at such time in the third month following that in which the anniversary of the company's incorporation occurs and at such place, as the directors shall appoint. In default of a general meeting being so held, a general meeting shall be held in the month next following and may be convened by any two members in the same manner as nearly as possible as that in which meetings are to be convened by the directors.

5. The general meetings shall be called ordinary general meetings; all other general meetings shall be called extraordinary general meetings.

6. The directors may, whenever they think fit, convene extraordinary general meetings and extraordinary general meetings shall also be convened on such requisition or, in default, may be convened by such requisitionists, as provided by Section 312 of the Act [extraordinary general meetings]. If at any time there are not within Sierra Leone

sufficient directors capable of acting to form a quorum, any director or any two members of the company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the directors.

Notice of general meetings

7. Subject to the provisions of section 200 [Resolutions] relating to special resolutions, 21 days' notice at the least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given) specifying the place, the day, and the hour of meeting, and, in case of special business, the general nature of that business shall be given in the manner, if any, as may be prescribed by the company in general meeting, to such persons as are, under the rules of the company, entitled to receive such notices from the company; but with the consent of all the members entitled to receive notice of some particular meeting, that meeting may be convened by such shorter notice and in such manner as those members may think fit.

8. The accidental omission to give notice of a meeting to, or the nonreceipt of notice of a meeting by, any member shall not invalidate the proceedings at any meeting.

Proceedings at general meetings

9. All business shall be deemed special that is transacted at an extraordinary meeting, and all that is transacted at an ordinary meeting, with the exception of the consideration of the accounts, balance sheet and the ordinary report of the directors and auditors, the election of directors and other officers in the place of those retiring by rotation and fixing of the remuneration of the auditors.

10. No business shall be transacted at any general meeting unless a quorum of members are present at the time when the meeting proceeds to do business. Unless otherwise provided, three members personally present shall be a quorum.

11. If within half an hour from the time appointed for the meeting, a quorum of members is **not** present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.

12. The chairman, if any, of the board of directors shall preside as chairman at every general meeting of the company.

13. If there is no such chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the members present shall choose one of their number to be chairman.

14. The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at a meeting from which the adjournment took place. When a meeting is adjourned for ten days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Unless otherwise granted, it shall not be necessary to give any notice of the business to be transacted at an adjourned meeting.

15. At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands, or votes cast digitally in the case of a virtual meeting**,** unless a poll is (before or on the declaration of result of the show of hands or votes cast digitally in the case of a virtual meeting) demanded by at least two members present in person or by proxy entitled to vote and, unless a poll is so demanded, a declaration by the chairman that a resolution has, on a show of hands, or votes cast digitally in the case of a virtual meeting, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book of the proceedings of the company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, that resolution.

16. If a poll is duly demanded, it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

17. In the case of an equality of votes, whether on a show of hands or votes cast digitally in the case of a virtual meeting or on a poll, the chairman of the meeting, at which the show of hands takes place or votes cast digitally in the or votes cast digitally in the case of a virtual meeting or at which the poll is demanded, shall be entitled to a second or casting vote.

18. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs.

Votes of members

19. Every member shall have one vote.

20. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction **in lunacy**, may vote, whether on a show of **hands** or votes cast digitally in the case of a virtual meeting or on a poll, by his committee or other legal guardian appointed by that court, and such committee or other legal guardian may, on a poll, vote by proxy.

21. No member shall be entitled to vote at any general meeting unless all monies payable by him to the company have been paid.

22. On a poll, votes may be given either personally or by proxy.

23. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal, or under the hand of an officer or attorney duly authorised. A proxy need not be a member of the company.

24. The instrument appointing a proxy and power of attorney or other authority, if any under which it is a signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the company not less than 72 hours before the time for holding the meeting or adjourned meeting, at which the person named in the instrument proposes to vote, and in default, the instrument of proxy shall not be treated as valid.

25. An instrument appointing a proxy may be in the following form, or any other form which the directors shall approve-

…….Company, Limited.

"I,……., of ……..., in the ……..., being a member of

the …… Company. Limited, hereby appoint ….. of …. as my proxy to vote for me and on my behalf at the (ordinary or

extraordinary, as the case may be) general meeting of the company to be held on

the ……day of …….20 ……., and at any adjourned thereof ."

Signed this……... day of …….20……

26. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

Corporations acting by representation at meetings

27. Any corporation which is a member of the company may by resolution of its directors or other governing body authorize such person as its thinks fit to act as its representative at any meeting of the company, and the person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the company.

Directors

28. The number of directors and the names of the first directors shall be determined in writing by a majority of the subscribers to the memorandum of Association.

29. The remuneration of the directors shall, from time to time, be determined by the company in a general meeting.

Powers and duties of Directors

30. The business of the company shall be managed by the directors, who may pay all expenses incurred in setting up and registering the company, and may exercise all such powers of the company, as are not, by the Act, or by these articles, required to be exercised by the company in **a** general meeting, subject, nevertheless, to any rule of these articles, to this Act, and to such rules, being not inconsistent with the rules or provisions, as may be prescribed by the company in general meeting; but no rule made by the company in general meeting shall invalidate any prior act of the directors which would have been valid if that rule had not been made.

31. The directors shall cause minutes to be made in books provided for the purpose—
    (a) of all appointments of officers made by the directors;
    (b) of the names of the directors present at each meeting of the directors and of any committee of the directors;
    (c) of all resolutions and proceedings at all meetings of the company, and of the directors, and of committees of directors; and every director present at any meeting of directors or committee of directors shall sign his name in a book to be kept for that purpose.

32. If the company has a common seal, the seal of the company shall not be affixed to any instrument except by the authority of a resolution of the board of directors, and in the presence of a director and the secretary or such other person as the directors may appoint for the purpose; and that director and the secretary or other person shall sign every instrument to which the seal of the company is so affixed in their presence.

Disqualification of Directors

33. The office of the director shall be vacated if the director—
    (a) without the consent of the company in general meeting, holds any other office of profit under the company; or
    (b) becomes bankrupt; or
    (c) becomes prohibited from being a director by reason of any order made under section 346 [restraint of fraudulent persons]; or
    (d) is found to be a lunatic or becomes of unsound mind; or
    (e) resigns his office by notice in writing to the company; or
    (f) is directly or indirectly interested in any contract with the company and fails to declare the nature of his interest in a manner required by section 370; or

(g) is punished with imprisonment for a term exceeding six months without the option of a fine.

A director shall not vote in respect of any contract in which he is interested or any matter arising out of any contract, and if he does so vote his vote shall not be counted.

Rotations of directors

34. At the first ordinary general meeting of the company, the whole of the directors shall retire from office, and at the ordinary general meeting in every subsequent year, one-third of the directors for the time being or, if their number is not three or a multiple of three, then the number nearest one-third shall retire from Office.

35. The directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

36. A retiring director shall be eligible for re-election.

37. The company at the general meeting at which a director retires in the manner aforesaid may fill up the vacated office by electing a person thereto, and in default, the retiring director shall be deemed to have been re-elected unless at such meeting it is resolved not to fill up such vacated office.

38. The company may, from time to time, in a general meeting, increase or reduce the number of directors, and may also determine in what rotation the increased or reduced number is to go out of the office.

39. Any casual vacancy occurring in the board of directors may be filled by the directors, but the person so chosen shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.

40. The directors shall have power at any time and from time to time to appoint a person as an additional director, who shall retire from office at the next following ordinary general meeting, but shall be eligible for election by the company at that meeting as an additional director.

41. The company may, by extraordinary resolution, remove any director before the expiration of his period of office, and may, by an ordinary resolution, appoint another person in his stead. The person so appointed shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.

Proceedings of directors

42. The directors may meet together for the dispatch of business, adjourn, and otherwise regulate their meetings, as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the chairman shall have a second or casting vote. A director may, and the secretary on the requisition of a director shall, at any time, summon a meeting of the directors.

43. The quorum necessary for the transaction of the business of the directors may be fixed by the directors, and unless so fixed shall, when the number of directors exceeds three, be three, and when the number of directors does not exceed three, be two.

44. The continuing directors may act notwithstanding any vacancy in their body but, if and so long as their number is reduced below the number fixed by or pursuant to the rules of the company as the necessary quorum of directors, the continuing directors may act for the purpose of increasing the number of directors to that number, or of summoning a general meeting of the company, but for no other purpose.

45. The directors may elect the chairman of their meetings and determine the period for which he is to hold office; but if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be chairman of the meeting.

46. The directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the directors.

47. A committee may elect a chairman of its meetings; if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to be chairman of the meeting.

48. A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes the chairman shall have a second or casting vote.

49. All acts done by any meeting of the directors or of a committee of directors, or by any person acting as a director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of such director or person acting as director, or that they or any of them were disqualified, be as valid as if such person had been duly appointed and was qualified to be a director.

50. The directors shall cause proper books of account to be kept with respect to all sums of money received and expended by the company and the assets and liabilities of the company.

51. The books of account shall be kept at the registered office of the company, or at such other place or places as the directors think fit, and shall always be open to the inspection of the directors.

52. The directors shall, from time to time, determine whether and to what extent and at what times and places, and under what conditions or regulations the accounts and books of the company or any of them shall be open to the inspection of members not being directors, and no member (not being a director) shall have any right of inspecting any account, book or document of the company except as conferred by statute or authorised by the directors or by the company in general meeting.

53. The directors shall, from time to time, cause to be prepared and to be laid before the company in general meeting such profit and loss accounts, balance sheets and reports.

54. The profit and loss accounts shall show, arranged under the most convenient heads,
the amount of gross income, distinguishing the several sources from which it has been derived, and the amount of gross expenditure, distinguishing the expenses of the establishment, salaries and other like matters. Every item of expenditure fairly chargeable against the year's income shall be brought into account, so that a just balance of profit and loss may be laid before the meeting and, in cases where any item of expenditure which may, in fairness be distributed over several years has been incurred in any one year, the whole amount of the item shall be stated with the addition of the reasons why only a portion of the expenditure is charged against the income of the year.

55. A copy of every balance sheet (including every document required by law to be annexed to it) which is to be laid before the company in general meeting together with a copy of the auditor's report shall not, less than 7 days before the date of the meeting be sent to all persons entitled to receive notices of general meetings of the company.

Audit

56. Auditors shall be appointed and their duties regulated in accordance with sections 467 to 476 of the Act [Appointment and Remuneration of Auditors]

Communications ~~Notices~~

51. (1) Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.

(2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

(3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

52. If—(1)

(a) the company sends two consecutive documents to a member over a period of at least 12 months, and

(b) each of those documents is returned undelivered, or the company receives notification that it has not been delivered, that member ceases to be entitled to receive notices from the company.

(2) A member who has ceased to be entitled to receive notices from the company becomes entitled to receive such notices again by sending the company—

(a) a new address to be recorded in the register of members, or

(b) if the member has agreed that the company should use a means of communication other than sending things to such an address, the information that the company needs to use that means of communication effectively.

Names, addresses and descriptions of subscribers.

Dated the…….....…..day of…….....……..20.....….

Witness to the above signatures,

A. B.

Oxford Street, Freetown.

TABLE D

MEMORANDUM AND ARTICLES OF ASSOCIATION OF AN UNLIMITED COMPANY HAVING A SHARE CAPITAL.

1. Memorandum of Association

1 . The name of the company is “ABC Unlimited.”

2. The registered office of the company will be situated in Freetown.

3. The objects for which the company is established are as follows:

a.

b.

c. To undertake all other lawful objects.

AND IT IS HEREBY DECLARED THAT:

The objects specified in each of the paragraphs of this clause shall be regarded as independent objects and accordingly shall in no way be limited or restricted (except the contrary is expressly stated) by reference to or inference from the terms of any other paragraph or the name of the Company, but may be carried out in as full and as ample a manner and construed in as wide a sense as if each of the said paragraphs defined the objects clause of a separate and distinct company.

4. The Company is a Private Company.

5. The liability of the members is unlimited.

6. The Issued Capital of the Company is divided into (state class of shares, if any and their units.

I/we whose name(s) and address(es) is/are subscribed herein is/are desirous of being formed into a company in pursuance of the Memorandum of Association and I/we respectively agree to take the number of shares indicated opposite my/our name(s).

NAME, ADDRESS AND DESCRIPTION OF SUBSCRIBER	**NO OF SHARES TAKEN**	**BENEFICIAL OWNER OF SHARES**	**SIGNATURE**
MR. ABC (ADRESS) **(OCCUPATION)** **MR. DEF** (ADDRESS)			

(OCCUPATION)			

Dated this day of March, 2026

WITNESS

Name:

Address:

Signature:

Date:

2. ARTICLES OF ASSOCIATION TO ACCOMPANY THE PRECEDING

MEMORANDUM OF ASSOCIATION.

1. The share capital of the company is divided into shares of each.

2. The company may by special resolution-

(a) increase the share capital by such sum to be divided into shares of such amount as the resolution may determine;

(b) consolidate its shares into shares of a larger amount than its existing shares;

(c) sub-divide its shares into shares of smaller amount than its existing shares;

(d) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person;

(e) reduce its share capital in any way.

3. The Articles of Association in Table B2 of this Schedule (other than Articles 27, 28, 29, 30, 34, and 35), shall be deemed to be incorporated with these articles and shall apply to the company.

Names, addresses and descriptions of subscribers.

Dated the…….....…..day of…….....……..20.....….

Witness to the above signatures,

A. B.

Oxford Street, Freetown.

TABLE E

Model Memorandum and Articles of Association for Micro and Small Private Companies Limited by Shares

Simplified Form

Explanatory Notes to

MODEL MEMORANDUM AND ARTICLES OF ASSOCIATION FOR

PRIVATE COMPANIES LIMITED BY SHARES

SIMPLIFIED FORM

Attached are Model Articles of Association for Private Companies –Simplified Form prepared on the assumption that the company adopting it will simplify its administration as far as possible under the Companies and Business Registration Act2026.

As a result, it may be more appropriate for micro and small owner-managed businesses. For the sake of brevity, statutory provisions are, as far as possible, not repeated. Provisions on the following matters in the Model Articles of Association for private companies limited by shares set forth in Schedule 1, Table A 2 are not included in the Simplified Model Articles for private companies –

⇒ Powers to issue different classes of shares (para. 3 of Schedule 1));

⇒ Committees (para. 15)

⇒ General Meetings (part 4)

⇒ Company seals (para. 50)

Companies may adopt the Simplified Model as they see fit. Companies or their officers should consult their professional advisors on any matters which may affect them relating to or arising out of the adoption of the Model Articles of Association -- Simplified Form.

Formation of a company requires a minimum of 1 shareholder and 1 director and the shareholder can also be the director. A share is a portion of the company which belongs to a shareholder in exchange for his financial contribution towards the company's share capital. Share capital refers to the amount of money that shareholders have committed to the company. Share capital can be issued with or without full payment from shareholders. There is no minimum issued share capital when you incorporate a private company. "Paid up capital" refers to the amount shareholders have paid to the company for their shares in such amount as the subscribers may determine, including in the case of a private company zero minimum paid-in capital at the time of incorporation.

As provided in section 310 of the Sierra Leone Companies and Business Registration Act, a company is exempt from the requirement to hold an annual general meeting for a financial year if: (a) it is a single member company; or (b) all members entitled to attend and vote have signed an "AGM Dispensation Agreement." Where the company is a single member company or an exemption applies, all business required to be transacted at an AGM (including the appointment of auditors and election of directors) is conducted via written resolution under Section 329(1). The AGM Dispensation Agreement remains valid for subsequent years until revoked by any single member giving written notice to the company at least 30 days before the end of the financial year. Notwithstanding a Dispensation Agreement, a general meeting shall be convened if members holding not less than ten percent (10%) of the total voting rights serve a written notice on the company requiring an AGM. The director or directors must, within 21 days of the notice, send out a notice convening the meeting.

THE Companies and Business Registration Act2026

Private Company Limited by Shares

ARTICLES OF ASSOCIATION OF

[COMPANY NAME]

Part A Mandatory Articles

1. Company Name The name of the company is

[COMPANY NAME]

2. **Members' Liabilities**

The liability of the members is limited.

3. The objects of the company are to engage in any lawful activity.

4. Liabilities or Contributions of Members

The liability of the members is limited to any amount unpaid on the shares held by the members.

5. Share Capital and Initial Shareholdings (on the company's formation)

The total number of shares that the company proposes to issue	
The total amount of share capital to be subscribed by the company's founder members	
(i) The amount to be paid up or to be regarded as paid up	
(ii) The amount to remain unpaid or to be regarded as remaining unpaid	
Class of Shares	Ordinary
The total number of shares in this class that the company proposes to issue	

ona vacantia.758

The total amount of share capital in this class to be subscribed by the company's founder members	
(i) The amount to be paid up or to be regarded as paid up	
(ii) The amount to remain unpaid or to be regarded as remaining unpaid	

I/WE, the undersigned, wish to form a company and wish to adopt the articles of association as attached, and I/we respectively agree to subscribe for the amount of share capital of the Company and to take the number of shares in the Company set opposite my/our respective name(s).

Name(s) of Founder Members	Number of Share(s) and Total Amount of Share Capital
[name]	
Total	Ordinary shares

	Business Registration Number

Company Name

We, being the director / directors of the above-named company, hereby confirm that the contents of the statement made on pages 2 and 3 and the several lists hereto annexed marked_____ and submitted in accordance with sections 51 and 60 of the Companies and Business Registration Actof 2026 are true.

Attachment Model Articles of Association for Private Company Limited By Shares as amended. Companies may adopt Simplified Model as they see fit.

INDEX TO THE ARTICLES (FROM TABLE A2 ABOVE)

Part 1: Interpretation and Limitation of Liability

1. Defined terms

2. Liability of members

Part 2: Shares

3. All shares to be fully paid up

[4. Powers to issue different classes of share]

5. Company not bound by less than absolute interests

6. Share certificates

7. Replacement share certificates

8. Share transfers

9. Transmission of shares

10. Exercise of transmittees' rights

11. Transmittees bound by prior notices

Part 3: Directors

12. Directors' general authority

13. Shareholders' reserve power

14. Directors may delegate

15. Committees

16. Directors to take decisions collectively

17. Unanimous decisions

18. Calling a directors' meeting

19. Participation in directors' meetings

20. Quorum for directors' meetings

21. Chairing of directors' meetings

22. Casting vote

23. Conflicts of interest

24. Records of decisions to be kept

25. Directors' discretion to make further rules

26. Methods of appointing directors

27. Termination of director's appointment

28. Directors' remuneration

29. Directors' expenses

Part 4: General Meetings

30. Decision by resolution in lieu of general meeting

[31.Attendance and speaking at general meetings

32. Quorum for general meetings

33. Chairing general meetings

34. Attendance and speaking by directors and non-shareholders

35. Adjournment

36. Voting: general

37. Errors and disputes

38. Poll votes

39. Content of proxy notices

40. Delivery of proxy notices

41. Amendments to resolutions]

Part 5: Dividends and Other Distributions

42. Procedure for declaring dividends

43. Payment of dividends and other distributions

44. No interest on distributions

45. Unclaimed distributions

46. Non-cash distributions

47. Waiver of distributions

48. Authority to capitalise and appropriation of capitalised sums

Part 6: Miscellaneous

49. Means of communication to be used

[50. Company seals]

51. No right to inspect accounts and other records

52. Provision for employees on cessation of business

53. Indemnity

54. Insurance

.

SECOND SCHEDULE (Sections 448, 450,451, 464, 471)

FORM AND CONTENT OF COMPANY'S FINANCIAL STATEMENTS

P**ART I**

GENERAL INFORMATION TO BE DISCLOSED

GENERAL RULES AND FORMATS

Section A

GENERAL INFORMATION TO BE DISCLOSED

1. All accounting information that will assist users to assess the financial liquidity, profitability and viability of a company should be disclosed and presented in a logical, clear and understandable manner in accordance with international standards and standards issued by the Institute of Chartered Accountants of Sierra Leone.

2. The financial statements of a company shall state-

(a) the name of the company;

(b) the period of time covered;

(c) a brief description of its activities;

(d) its legal form;

(e) its relationship with its significant local and overseas suppliers (if any) including the immediate and ultimate parent, associated or affiliated company.

3. Financial statements shall include the following–

(a) statement of accounting policies;

(b) balance sheet;

(c) income statement;

(d) cash flow statement;

(e) notes on the financial statements;

(f) five-year financial summary for publicly-traded companies.

4. Financial implication of inter-company transfer and technical transfer and technical management agreements between the company and its significant local and overseas suppliers (if any) including its immediate and ultimate, associated affiliated company should be disclosed.

5. Financial statements should show corresponding figures for the preceding period.

SECTION B

GENERAL RULES

6. (1) Subject to the following provisions of this Schedule-

(a) every balance sheet of a company shall show the items

listed in either of the balance sheet formats set out below

in section C of this Part; and

(b) every profit and loss account of a company shall show the

items listed in any one of the profit and loss account formats

so set out; in either case in the order and under the

headings and sub-headings given in the format adopted.

(2) Sub-paragraph (1) is not to be read as requiring the heading or sub-heading for any item to be distinguished by any letter or number assigned to that item in the format adopted.

7. (1) Where in accordance with paragraph 1 a company's balance sheet or profit and loss account for any year has been prepared by reference to one of the formats set out in section C, the directors of the company shall adopt the same format in preparing the accounts for subsequent years of the company unless in their opinion there are special reasons for a change.

(2) Particulars of any change in the format adopted in preparing a

company's balance sheet profit and loss account in accordance with paragraph 1 shall be disclosed, and the reasons for the change shall be explained in a note to the accounts in which the new format is first adopted.

8. (1) Any item required in accordance with paragraph 1 to be shown in a company's balance sheet or profit and loss account may be shown in greater detail than required by the format adopted.

(2) A company's balance sheet or income statement may include an item representing or covering the amount of any asset or liability, income or expenditure not otherwise covered by any of the items listed in the format adopted,

but the following shall not be treated as assets in any, company's balance sheet-

(a) preliminary expenses;

(b) expenses or commission on any issue of shares or debentures.

(3) In preparing a company's balance sheet or profit and loss account the directors of the company shall adapt the arrangement and headings and sub-headings otherwise required by paragraph 1 in respect of the items to which an Arabic number is assigned in the format adopted, in any case where the special nature of the company's business requires such adaptation.

(4) Items to which Arabic numbers are assigned in any of the formats set out in section B may be combined in a company year if either-

(a) their individual amounts are not material to assessing the

state of affairs or profit or loss of the company for that

year; or

(b) the combination facilitates that assessment; but in a case

within paragraph (a) the individual amounts of any items

so combined shall be disclosed in a note to the accounts.

(5) Subject to paragraph 9 (3), a heading or sub-heading corresponding to an item listed in the format adopted in preparing a company's balance sheet or profit and loss account shall not be included if there is no amount to be shown for that item in respect of the year to which the balance sheet or profit and loss account relates.

(6) Every profit and loss account of a company shall show the amount of the company's profit or loss on ordinary activities before taxation.

(7) Every profit and loss account of a company shall show separately as additional items-

(a) any amount set aside or proposed to be set aside to, or

withdrawn or proposed to be withdrawn from, reserves;

and

(b) the aggregate amount of any dividend.

9. (1) In request of every item shown in a company's balance sheet or

profit and loss account the corresponding amount for the year immediately

preceding that to which the balance sheet or profit and loss account relates shall also be shown.

(2) Where that corresponding amount is not comparable with the amount to be shown for the item in question in respect of the year to which the balance sheet or profit and loss amount relates, the former amount shall be adjusted and particulars of the adjustment and the reasons for it shall be disclosed in a note to the accounts.

(3) Paragraph 8 (5) does not apply in any case where an amount can be shown for the item in question in respect of the year immediately preceding that to which the balance sheet or profit and loss account relates, and that amount shall be shown under the heading or sub-heading required by paragraph 1 for that item.

10. Amounts in respect of items representing assets or income may not be set off against amounts in respect of items representing liabilities or expenditure (as the case may be) or vice versa.

SECTION C

THE REQUIRED FORMATS FOR ACCOUNTS

Preliminary

11. Reference in this Part to the items listed in any of the formats set out below are to those items read together with any of the notes following the formats which apply to any of those items, and the requirement imposed by paragraph 1 to show the items, listed in any provision in those notes for alternative positions for any particular items.

12. A number in brackets following in any of the formats set out below is a reference to the note of that number in the note of that number in the notes following the formats.

13. In the notes following the formats-

(a) the heading of each note gives the required heading or sub-heading for the item to which it applies and a reference

to any letter and numbers assigned to that item in the formats set out below (taking a reference in the case of Format 2 of the balance sheet formats to the item listed under “assets” or under “liabilities” as the case may require); and

(b) references to a numbered format are to the balance sheet format or as the case may require) to the profit and loss account format of that number set out below.

Balance Sheet Formats

FORMAT 1

A. Called Up Shares Capital Not Paid (1)

B. Fixed assets

1. Land and buildings;

2. Plant and machinery;

3. Fixtures, fittings, tools and equipment;

4. Construction-in-progress;

5. Pre-payment for stocks in-transit.

C. Long-term investments

1. Shares in group companies;

2. Loans to group companies;

3. Shares in related companies;

4. Loans to related companies;

5. Other investments other than loans;

6. Other loans;

7. Own shares (Treasury shares) (4)

8. Bonds, debentures and Federal Government Development Stocks.

D. Deferred charges

1. Development costs;

2. Concessions, Patents, Licences, Franchises, Trade marks and similar rights and assets (2)

3. Goodwill (3)

4. Pre-payments for stocks in transit.

E. Current Asset

I. Stocks

1. Raw materials and consumables;

2. Work-in-progress;

3. Finished goods and goods awaiting sale;

4. Pre-payments for stocks in transit.

II. Debtors (5)

1. Trade debtors;

2. Amount owed by group companies;

3. Amount owed by related companies;

4. Other debtors;

5. Called up shares capital not paid (1)

6. Pre-payments and accrued income.

III. Short-term investment

1. Shares in group companies;

2. Own shares (Treasury shares) (4);

3. Other investments.

IV. Cash at bank and in hand

F. Prepayments and accrued income (6)

G. Creditors; amounts falling due within one year.

1. Debenture loans (7);

2. Bank loans and overdrafts;

3. Payments received on account (8);

4. Trade creditors;

5. Bills of exchange payable;

6. Amounts owed to group companies;

7. Amounts owed to related companies;

8. Other creditors including taxation (P.A.Y.E.) and National Provident Fund (social security) (9);

9. Accruals and deferred income (10).

H. Net current assets (liabilities) (11)

1. Total assets less current liabilities.

J. Creditors: amount falling due after more than one year.

1. Debenture loans (7);

2. Bank loans and overdrafts;

3. Payments received on account (8);

4. Trade creditors;

5. Bills of exchange payable;

6. Amounts owed to group companies;

7. Amount owed to related companies;

8. Other creditors including taxation and social security (9);

9. Accruals and deferred income (10).

K. Provisions for liabilities and charges.

1. Pensions and similar obligations;

2. Taxation, including deferred taxation;

3. Other provisions.

L. Accruals and deferred income (10)

M. Capital and reserves.

I.. Called up share capital (12);

II Share premium account;

III Revaluation reserves;

IV Other reserve.

1. Capital redemption reserve;

2. Reserve for own shares;

3. Reserves provided for by the articles of association;

4. Other reserves.

V . Profit and loss transferred from Profit and Loss Account or Income Statement.

Balance Sheet Formats

FORMAT 2

ASSETS

A. Called up share capital not paid (1).

B. Tangible assets.

1. Land and buildings;

2. Plant and machinery;

3. Fixtures, fittings, tools and equipment;

4. Payments on account and assets in the course of construction.

C. Long-Term Investment

1. Share in group companies

2. Loans to group companies

3. Shares in related companies

4. Loans to related companies

5. Other investments other than loans

6. Other loans

7. Own shares (Treasury Shares) (4)

D. Deferred Charges

1. Development costs

2. Concessions, patents, licences, trade marks and similar rights and issues (2)

3. Goodwill

4. Payments on account

E. Current Assets.

I Stocks

1. Raw materials and consumables

2. Work-in-progress

3. Amounts owned by related companies

4. Finished goods and goods awaiting sale

5. Payments for stocks in transit

II Debtors (5)

1. Trade debtors

2. Amounts owed by group companies

3. Amounts owed by related companies

4. Other debtors

5. Called up share capital not paid (1)

6. Prepayments and accrued income (6)

III Short-term Investments

1. Shares in group companies

2. Own shares (Treasury Shares) (4)

3. Other investments.

IV. Cash at bank and in hand

F. Prepayments and accrued income (6)

CAPITAL AND LIABILITIES

A. Capital and Reserves.

I. Called up share capital (12)

II Share premium account

III Revaluation reserve

IV. Other reserves.

1. Capital redemption reserves

2. Reserve for own shares (12A)

3. Reserves provided for by the articles of association

4. Other reserves.

V. Profit and loss account (Retained Earnings) (12B)

B. Current liabilities

1. Debenture loans (7)

2. Trade creditors

3. Bank loans and overdrafts

4. Payments received in advance (8)

5. Bills of exchange payable

C. No-trade current liabilities.

1. Provision for pension and other similar obligations

2. Provisions for taxation including deferred taxes, National Provident Fund (social security) (9)

3. Other provisions

4. Accruals and deferred income (10)

5. Transactions between and within group:

(a) Amount owed to group companies

(b) Amount owed to related companies

(c) Others.

Portions of long-term liabilities due in the current period

D. Long-term liabilities

1. Debenture Loans (portion not due next year).

2. Bonds (portions not due next year)

3. Other long-term debts (portion not due next year).

Notes on the balance sheet formats

(1) Called up share capital not paid (Formats 1 and 2, items A and E, 11.5) This item may be shown in either of the two positions given in Formats 1 and 2.

(2) Concessions, patents, licences, trade marks and similar rights and assets (Formats 1 and 2, item D2).

Amounts in respect of assets shall only be included in a company's balance sheet under this item if either-

(a) the assets were acquired for valuable consideration and are not required to be shown under goodwill; or

(b) the assets in question were created by the company itself.

(3) Goodwill – (Formats 1 and 2, items D. 3. – Amounts representing goodwill shall only be included to the extent that the goodwill was acquired for valuable consideration.

(4) Own shares –(Formats 1 and 2 items C 7 and E. III 2) – The nominal value of the shares held shall be shown separately.

(5) Debtors – (Formats 1 and 2, items E II 1 to 6) – The amount falling due after more than one year shall be shown separately for each item included under debtors.

(6) Prepayments and accrued income – (Formats 1 and 2, item E II 6 andF) – This item may be shown in either of the two positions given in Formats 1 and 2.

(7) Debenture loans (7) – Format 1, item G 1 and B 1 and Format 2, item C I) – The amount of any convertible loans shall be shown separately.

(8) Payments received on account:- (Format 1, items G 3 and 3 and Format 2, item C 3) – Payments received on account of orders shall be shown for each of these items in so far as they are not shown as deductions from stocks.

(9) Other creditors including taxation – (Format 1, items G 8 and 8 and Format 2 item C 2)- The amount for creditors in respect of taxation shall be shown separately from the amount for other creditors.

(10) Accruals and deferred income, - Format 1, items G9, 9 and L1 and Format 2, item C 4) – The two positions given for this item in Format 1 at E 9 and H 9 are an alternative to the position at J, but if the item is not shown in apposition

corresponding to that at J it may be shown in either or both of the other two positions (as the case may require).

The two positions given for this item in Format 2 are alternatives

(11) Net current assets (liabilities).- (Format 1, item H) – In determining the amount to be shown for this item any amounts shown under prepayments and accrued income shall be taken into account wherever shown.

(12) Called up share capital.- (Format 1, item k 1 and Format 2, item A)-

The amount of allotted share capital and the amount of called up share capital which has been paid up shall be shown separately.

(13) Creditors. – Amounts falling due within one year and after one year shall be shown separately for each of these items and their aggregate shall be shown separately for all of these items.

Profit and loss account formats

FORMAT 1

(See note (17) below)

1. Turnover

2. Cost of sales (14)

3. Gross profit or loss

4. Distribution expenses (14)

5. Administrative expenses (14)

6. Other operating income (14)

7. Income from shares in group companies

8. Income from shares in related companies

9. Income from other fixed asset investments (15)

10. Other investment receivable and similar income (15)

11. Amounts written off investments

12. Accrued interest expense and similar charges

13. Tax on profit or loss on ordinary activities

14. Profit or loss on ordinary activities after taxation

15. Extraordinary income

16. Extraordinary charges

17. Extraordinary profit or loss

18. Tax on extraordinary profit or loss

19. Other taxes under the above items

20 Profit or loss for the financial year

21. Earnings per share

22. Dividend per share

Profit and loss account formats

FORMAT 2

1. Sales of Revenue

2. Change in stocks of finished goods and in work-in-progress

3. Own work capitalized

4. Other operating income

5. (a) Raw materials and consumables

(b) Other external charges

6. Staff costs

(a) Wages and salaries

(b) Other pension costs

7. (a) Depreciation of fixed assets, depletion and amortisation of wasting and intangible assets

(b) Exceptional amounts written off current assets.

8. Other operating charges

9. Income from shares group companies

10. Income from shares in related companies

11. Income from other fixed asset investments (15)

12. Other interest receivable and similar income (15)

13. Amounts written off investment

14. Interest payable and similar charges (16)

15. Tax on profit or loss on ordinary activities

16. Profit or loss on ordinary activities after taxation

17. Extraordinary income

18. Extraordinary charger

19. Extraordinary profit or loss

20. Tax on extraordinary profit or loss

21. Other taxes not shown under the above item

22. Profit or loss for the current year transferred to Retained Earnings or Reserve.

Profit and loss account formats

FORMAT 3

(See note (17))

A. Charges

1. Cost of sales (14)

2. Distribution costs (14)

3. Administrative expenses (14)

4. Amounts written off investments

5. Interest payable and similar charges (16)

6. Tax on profit or loss on ordinary activities

7. Profit or loss on ordinary activities after taxation

8. Extraordinary charges

9. Tax on extraordinary profit or loss

10. Other taxes not shown under the above items

11. Profit or loss for the financial year.

B. Income

1. Turnover

2. Other operating income.

3. Own work capitalised

4. Other operating income

5. Income from shares in group companies

6. Income from shares in related companies

7. Income from other fixed asset investments (15)

8. Other interest receivable and similar income (15)

9. Profit or loss on ordinary activities after taxation

10 Extraordinary income

11. Profit or loss for the financial year.

Notes on the profit and loss account format

(14) Cost of sales; distribution costs: administrative expenses (Format 1 items 3, 4 and 5 and Format 3, items A 1,2, and 3, - These items shall be stated after taking into account any necessary provisions for depreciation or diminution in value of assets.

(15) Income from other fixed asset investments: other interest receivable and similar income, - (Format 1, items 9 and 10: Format 2, items 11 and 12: Format 3, items B 5 and 6: Format 4, item B 7 and 8.) – Income and interest derived from group companies shall be shown separately from income and interest derived from other sources.

(16) Interest payable and similar charges. – (Format 1, item 12: Format 2 item 14: Format 3, item A 5: Format 1, item A 7) – The amount payable to group companies shall be shown separately.

(17) Formats 1 and 3. – The amount of any provisions for depreciation and diminution in value of tangible and intangible fixed assets falling to be shown under items 7 (a) and A.4 (a) respectively in Formats 2 and 4 shall be disclosed in a note to the accounts in any case where the profit and loss account is prepared by reference to Format 1 or Format 3.

PART II

ACCOUNTING PRINCIPLES AND RULES

SECTION A

ACCOUNTING PRINCIPLES

Preliminary

14. Subject to paragraph 15 the amounts to be included in respect of all items shown in a company's financial statements shall be determined in accordance with generally accepted accounting principles, and with the Accounting Standards laid down from time to time by the Association of Chartered Accountants of Sierra Leone.

Departure from the accounting principles

15. If it appears to the directors of a company that there are special reasons for departing from any of the principles stated above in preparing the company's financial statements in respect of any financial year they may do so, but particulars of the departure, the reasons for it and its effect shall be given in a note to the accounts.

SECTION B

HISTORICAL COST ACCOUNTING RULES

Preliminary

16. Subject to section C of this Part, the amounts to be included in respect of all items shown in a company's financial Statements shall be determined in accordance with the rules set out in paragraphs 17-28.

Fixed assets

17. Subject to any provision for depreciation or diminution made in accordance with paragraphs 18 or 19 the amount to be included in respect of any fixed asset shall be its purchase price or production cost.

18. In the case of any fixed asset which has a limited useful economic life, the amount of–

(a) its purchase price or production cost; or

(b) where it is estimated that such asset will have a residual value at the end of the period of its useful economic life, its purchase price or production cost less that estimated residual value; shall be reduced by provisions for depreciation calculated to write off that amount systematically over the period of the asset's useful economic life.

19. (1) Where a fixed asset investment of a description failing to be included under item B III of either of the balance sheet formats set out in Part I of this Schedule had diminished in value, provision for diminution in value may be made in respect of it and the amount to be included in respect of it may be reduced accordingly; and any such provisions which are not shown in the profit and loss account shall be disclosed (either separately or in aggregate) in a note to the accounts.

(2) Provisions for diminution in value shall be made in respect of any fixed asset which had diminished in value if the reduction in its value is expected to be permanent (whether its useful economic life is limited or not), and the amount to be included in respect of it shall be reduced accordingly; and such provisions which are not shown in the profit and loss account shall be disclosed (either separately or in aggregate) in a note to the accounts.

(3) Where the reasons for which any provision was made in accordance with sub-paragraph (1) or (2) have ceased to apply to any extent, that provision shall be written back to the extent that it is no longer necessary; and any amounts written back in accordance with this sub-paragraph which are not shown in the profit and loss account shall be disclosed (either separately or in aggregate) in a note to the accounts.

Rules for determining particular fixed asset items

20. (1) Notwithstanding that an item in respect of “development costs” is included under fixed assets” in the balance sheet formats set out in Part I of this Schedule, “an amount may only be included in a company’s balance sheet in respect of development costs in special circumstances.

(2) If any amount is included in a company’s balance sheet in respect of development costs the following information shall be given in a note to the accounts-

(a) the period over which the amount of those costs originally capitalised is being or is to be written off; and

(b) the reason for capitalising the development costs in question.

21. (1) The application of paragraphs 17 to 19 in relation to goodwill (in any case where goodwill is treated as an asset) is subject to the following provisions of this paragraph.

(2) The amount of the consideration for goodwill acquired by a company shall be reduced by provisions for amortisation calculated to write off that amount systematically over a period of 5 years or less as may be determined by the directors of the company.

(3) In any case where any goodwill acquired by a company is shown or included as an asset in the company’s balance sheet the period chosen for writing off the consideration

for that goodwill and the reasons for choosing that period shall be disclosed in a note to the accounts.

Current Assets

22. Subject to paragraph 23, the amount to be included in respect of any current asset shall be its purchase price or production cost.

23. (1) If the net realisable value of any current asset is lower than its purchase price or production cost the amount to be included in respect of that asset shall be the net realisable value.

(2) Where the reason for which any provision for diminution in value was made in accordance with sub-paragraph (1) has ceased to apply to any extent, that provision shall be written back to the extent that it is no longer necessary.

Miscellaneous and supplementary provision

Excess of money owed over value received as an asset item

24. (1) Where the amount repayable on any debt owed by a company is greater than the value of the consideration received in the transaction giving rise to the debt, the amount of the difference may be treated as an asset.

(2) Where such amount is so treated–

(a) it shall be completely written off before repayment of the debt; and

(b) and the current amount is not shown as a separate item in the company's balance sheet; it must be disclosed in a note to the accounts.

Assets included at a fixed amount

25. (1) Subject to the following sub-paragraph assets which fail to be included–

(a) amongst the fixed assets of a company under the item "raw material and consumables" ; may be included at a fixed quantity and value.

(b) their quantity, value and composition are not subject to material variation.

Determination of purchase price or production cost

26. (1) The purchase price of an asset shall be determined by adding to the actual price paid any expenses incidental to its acquisition.

(2) The production cost of an asset shall be determined by adding to the purchase price of the raw materials and consumables used the amount of the costs incurred by the company which are directly attributable to the production of that asset.

(3) In addition, there may be included in the production cost of an asset–

(a) a reasonable proportion of the costs incurred by the company which are only indirectly attributable to the production of that asset, but only to the extent that they relate to the period of production; and

(b) interest on capital borrowed to finance the production of that asset, to the extent that it accrues in respect to of the period of production; but in a case within paragraph (a) the inclusion of the interest in determining the cost of that asset and the amount of the interest so included is disclosed in a note to the accounts.

(4) In the case of current assets, distribution costs may not be included in production costs.

27. (1) Subject to the qualification mentioned in sub-paragraph (5), the purchase price or production cost of–

(a) any assets which fail to be included under any item shown in a company's balance sheet under the general item "stocks" and

(b) any assets which are tangible assets (including investments);

may be determined by the application of any of the methods mentioned in sub-paragraph (2) of this paragraph in relation to any such assets of the same class.

(2) The method chosen must be one which appears to the directors to be appropriate in the circumstances of the company.

(3) These methods are–

(a) the method known as "first in, first out" (FIFO):

(b) the method known as "last in, first out" (LIFO)

(c) a weighted average price; and

(d) any other method similar to any of the methods mentioned above.

(3) Where in the case of any company-

(a) the purchase price or production of assets failing to be included under any item shown in the company's balance sheet has been determined by the application of any method permitted by this paragraph; and

(b) the amount shown in respect of that item differs materially from the relevant alternative amount given below in this paragraph;

the amount of that difference shall be disclosed in a note to the accounts.

(4) Subject to sub-paragraph (5) below for the purposes of sub-paragraph (3) (b) above, the relevant alternative amount, in relation to any item shown in a company's balance sheet, is the amount which would have been shown with respect to that item if assets of any class included under that item at an amount determined by any method permitted by this paragraph had instead been included at their replacement cost as at the balance sheet date.

(5) The relevant alternative amount may be determined by reference to the most recent actual purchase price production cost before the balance sheet date of assets of any class included under the item in question instead of by reference to their replacement cost as at that date, but only if the former appears to the directors of the company to constitute the more appropriate standard of comparison in the case of assets of that class.

(6) For the purposes of this paragraph, assets of any description shall be regarded as tangible if assets of that description are substantially in-distinguishable from one another.

Substitution of original stated amount where price or cost unknown

28. Where there is not record of the purchase price or production cost of any assets of a company or of any price, expenses or costs relevant for determining its purchase price or production cost in accordance with paragraph 26, or such record cannot be obtained without unreasonable expense or delay, its purchase price or production cost shall be taken for the purposes of paragraph 17 to 23 to be the value record of its value made on or after its acquisition or production by the company.

SECTION C

ALTERNATIVE ACCOUNTING RULES

Preliminary

29. (1) The rules set out in section B are referred to below in this Schedule as the historical cost accounting rules.

(2) These rules, with the omission of paragraphs 16, 21 and 25 to 28, are referred to below in this Part as the depreciation rules and references below in this Schedule to the historical cost accounting rules do not include the depreciation rules as they apply by virtue of paragraph 32.

30. Subject to paragraphs 32 to 34 the amount to be included in respect of assets of any description mentioned in paragraph 26 may be determined on any basis so mentioned.

Alternative accounting rules

31. (1) Intangible fixed assets, other than goodwill, may be included at their current cost.

(2) Tangible fixed assets may be included at a market value determined at the date of their last valuation or at their current cost.

(3) Investments of any description failing to be included under item 13 of either of the balance sheet formats set out in Part I of this Schedule may be included either-

(a) at a market value determined as at the date of their last valuation; or

(b) at a value determined on any basis which appears to the directors to be appropriate in the circumstances of the company,

but in the latter case particulars of the method of valuation adopted and of the reasons for adopting it shall be disclosed in a note to the accounts.

(4) Investments of any description failing to be included under item C

III of either of the balance sheet formats set out in Part I of this Schedule may be

included at their current cost.

(5) Stocks may be included at their current cost.

Application of the depreciation rules

32. (1) Where the value of any assets of a company is determined on any basis mentioned in paragraph 31, that value shall be, or (as the case may require) be the starting point for determining, the amount to be included in respect of that asset in the company's accounts, instead of its purchase price or production cost or any value previously so determined for that asset; and the depreciation rules shall apply accordingly in relation to such asset cost of reference to the value most recently determined for that asset on any basis mentioned in paragraph 31.

(2) The amount of any provision for depreciation required in the case of any fixed asset by paragraph 18 or 19 as it applies by virtue of sub-paragraph (1) is referred to as the historical cost amount.

(3) Where sub-paragraph (1) applies in the case of any fixed asset the amount of any provision for depreciation in respect of that asset-

> (a) included in any item shown in the profit and loss account in respect of amounts written off assets of the description in question; or
>
> (b) taken into account in stating any item so shown which is required by note (14) of the notes on the profit and loss account formats set out in Part I of this Schedule to be stated after taking into account any necessary provisions for depreciation or diminution in value of assets included under it,

may be the historical cost amount instead of the adjusted amount provided that the amount of any difference between the two is shown separately in the profit and loss account or in a note to the accounts.

Additional information to be provided in case of departure from historical costs accounting rules

33. (1) This paragraph applies where the amounts to be included in respect of assets covered by any items shown in a company's accounts have been determined on any basis mentioned in paragraph 31.

(2) The items affected and the basis of valuation adopted in determining the amounts of the assets in question in the case of such items shall be disclosed in a note to the accounts.

(3) In the case of each balance sheet item affected (except stocks) either–

> (a) the comparable amounts determined accounting to the historical cost accounting rules; or
>
> (b) the differences between those amounts and the corresponding amounts actually shown in the balance sheet in respect of that item;

shall be shown separately in the balance sheet or in a note to the accounts.

(4) In sub-paragraph (3) references in relation to any item to the comparable amounts determined are references to–

(a) the aggregate amount which would be required to be shown in respect of that item if the amounts to be included in respect of all the assets covered by that item were determined according to the historical cost accounting rules; and

(b) the aggregate amount of the cumulative provisions for depreciation or diminution in value which would be permitted or required in determining those amounts according to those rules.

Revaluation reserve

34. (1) With respect to any determination of the value of an asset of a company on any basis mentioned in paragraph 31, the amount of any profit or loss arising from that determination (after allowing, where appropriate, for any provisions for depreciation or diminution in value made otherwise than by reference to the value to be determined and any adjustments of provisions made in the light of that determination) shall be credited or (as the case may be) debited to a separate reserve ("the revaluation reserve").

(2) The amount of the revaluation reserve shall be shown in the company's balance sheet under a separate bus-heading in the position given for the item "revaluation reserve" in Format 1 or 2 of the balance sheet formats set out in Part 1 of this Schedule, but need not be shown under that name.

(3) The revaluation reserve shall be reduced to the extent that the amounts standing to the credit of the reserve are in the opinion of the directors of the company no longer necessary for the purpose of the accounting policies adopted by the company; but an amount may only be transferred from the reserve to the profit and loss account if either–

(a) the amount in question was previously charged to that account; or

(b) it represents realised profit.

(4) The treatment for taxation purposes of amounts credited or debited to the revaluation reserve shall be disclosed in a note to the accounts.

PART III

NOTES TO THE ACCOUNTS

Preliminary

35. Any information required in the case of any company by the following

provisions of this Part of this Schedule shall, (if not given in the company's accounts)

be given by way of a note to those accounts.

Disclosure of accounting policies

36. The accounting policies adopted by the company in determining the amounts to be included in respect of items shown in the balance sheet and in determining the profit or loss of the company shall be stated (including policies with respect to the depreciation and diminution in value of assets).

Information supplementing the balance sheet

37. Paragraphs 38 to 50 require information which either supplement the information given with respect to any particular items shown in the balance sheet or is otherwise relevant to assessing the company's state of affairs in the light of the information so given.

Share capital and debentures

38. (1) The following information shall be given with respect to the company's share capital–

(a) the authorised share capital; and

(b) where shares of more than one class have been allotted, the number and aggregate nominal value or shares of each class allotted.

(2) In the case of any part of the allotted share capital that consists of redeemable shares the following information shall be given-

(a) the earliest and latest dates on which the company has power to redeem those shares;

(b) whether those shares must be redeemed in any event or are liable to be redeemed at the option of the company or of the shareholder; and

(c) whether any (and, if so, what) premium is payable on redemption.

39. If the company has allotted any shares during the financial year, the following information shall be given–

(a) the reason for making the allotment;

(b) the classes of shares allotted; and

(c) the price to be paid for the shares allotted.

40. (1) If the company has issued any debentures during the financial year to which the accounts relate, the following information shall be given–

(a) the reason for making the issue;

(b) the classes of debentures issued; and

(c) as respects each class of debentures, the amount issued and the consideration received by the company for the issue.

(2) Particulars of any redeemed debentures which the company has power to reissue shall also be given.

(3) Where any of the company's debentures are held by a nominee of or trustee for the company, the nominal amount of the debentures and the amount at which they are stated in the accounting records kept by the company in accordance with this Act.

Fixed assets

41. (1) In respect of each item which is or would but for paragraph 8,(4) (b) shown under the general item "fixed assets" in the company's balance sheet the following information shall be given

(a) the appropriate amounts in respect of that item as at the date of the beginning of the financial year and as at the balance sheet date respectively;

(b) the effect on any amount shown in the balance sheet in respect of that item of–

(i) any revision of the amount in respect of any assets included under that item made during that year on any basis mentioned in paragraph 31;

(ii) acquisitions of any assets during that year;

(iii) disposals of any assets during that year; and

(iv) any transfers of assets of the company to and from that item during that year.

(2) The reference in sub-paragraph (1) (a) to the appropriate amounts in respect of any item as at any date mentioned in that sub-paragraph is a reference to amounts representing the aggregate amounts determined, as at that date, in respect of assets falling to be included under that base on either of the following bases, that is–

(a) on the basis of purchase price or production cost (determined in accordance with paragraphs 21 and 27); or

(b) on any basis mentioned in paragraph 31, (leaving out of account in either case any provision for depreciation or diminution in value).

(3) In respect of each item within sub-paragraph (1)–

(a) the cumulative amount of provisions for depreciation or diminution in value of assets included under that item as at each date mentioned in sub-paragraph (1) (a);

(b) the amount of such provisions made in respect of the financial year;

(c) the amount of any adjustment made in respect of such provisions during that year in consequence of the disposal of any assets; and

(d) the amount of any other adjustments made in respect of such provisions during that year;

shall also be stated.

42. Where any fixed assets of the company other than listed investments are included under any item shown in the company's balance sheet at an amount determined on any basis mentioned in paragraph 31, the following information shall be given–

(a) the years (so far as they are known to the directors) in which the assets were severally valued and the several values; and

(b) in the case of assets that have been valued during the financial year, the name of the persons who valued them or particulars of their qualification for doing so and (whichever is stated) the bases of valuation used by them.

43. In relation to any amount which is or would but for paragraph 8 (4) (b), be shown in respect of the item "Land and buildings" in the company's balance sheet there shall be stated–

(a) how much of the amount ascribable to land held under a sublease is ascribable to land held on long lease and how much to land held on short lease.

(b) how much of the amount is ascribable to land held under statutory right of occupancy and how much to land held under a sublease; and

Investments

44. (1) In respect of the amount of each item which is or would for paragraph 8 (4) (b) be shown in the company's balance sheet under the general item 'investments' (whether as fixed assets or as current assets) there shall be stated-

(a) how much of that amount is ascribable to listed investments; and

(b) how much of any amount so ascribable is ascribable to investments as respects which there has been granted a listing on a recognised stock exchange and how much to other listed investments.

(2) Where the amount of any listed investments is stated for any item in accordance with sub-paragraph (1) (a), the following amounts shall also be stated–

(a) the aggregate market value of those investments where it differs from the amount so stated; and

(b) both the market value and the stock exchange value of any investments of which the former value is, for the purposes of the accounts, taken as being higher than the latter.

45. (1) Where any amount is transferred–

(a) to or from any reserves; or

(b) to any provisions for liabilities and charges; or

(c) from any provisions for liabilities and charges otherwise than for the purpose for which the provision was established; and the reserves or provisions are or would but for paragraph 8 (4) (b) be shown as separate items in the company's balance sheet,

the information mentioned in sub-paragraph 2 shall be given in respect of the aggregate of reserves or provisions included in the same item.

(2) That information is–

(a) the amount of reserves or provisions as at the date of the beginning of the year and as at the balance sheet date respectively;

(b) any amount transferred to or from the reserves or provisions during that year; and

(c) the source and application respectively of any amount so transferred.

(3) Particulars shall be given of each provision included in the item “other provisions” in the company’s balance sheet in any case where the amount of that provision is material.

Provision for taxation

46. The amount of any provisions for taxation other than deferred taxation shall be stated.

Details of indebtedness

47. (1) In respect of each item shown under “creditors” in the company’s balance sheet there shall be stated-

> (a) the aggregate amount of any debts included under that item which are payable or repayable otherwise than by instalments and fall due for payment or repayment after the end of the period of 5 years beginning with the day next following the end of the financial year; and
>
> (b) the aggregate amount of any debts so included which are payable or repayable by instalments and any of which fall due for payment after the end of that period;

and in the case of debts within paragraph (b) the aggregate amount of instalments falling due after the end of that period shall also be disclosed for each item.

(2) Subject to sub-paragraph (3), in relation to each debt falling to be taken into account under sub-paragraph (1), the terms of payments or repayment and the rate of any interest payable on debt shall be stated.

(3) If the number of debts is such that, in the opinion of the directors, compliance with sub-paragraph (2) would result in a statement of excessive length, it shall be sufficient to give a general indication of the terms of payment or repayment and the rates of any interest payable on the debts.

(4) In respect of each item shown under “creditors” in the company’s balance sheet there shall be stated–

(a) the aggregate amount of any debts included under that item in respect of which any security has been given by the company; and

(b) an indication of the nature of the securities so given.

(5) References above in this paragraph to an item shown under “creditors” in the company’s balance sheet include references where amounts falling due to creditors within one year and after more than one year are distinguished in the balance sheet–

(a) in a case within sub-paragraph (1), to an item shown under the latter of those categories; and

(b) in a case within sub-paragraph (4), to an item shown under either of those categories;

and references to items shown under “creditors” include references to items which would but for paragraph 8 (4) (b) be shown under that heading.

48. If any fixed cumulative dividends on the company’s shares are in arrears, there shall be stated–

(a) the amount of the arrears; and

(b) the period for which the dividends or, if there is more than one class, each class of them are in arrear.

Guarantee and other financial commitments

49. (1) Particulars shall be given of any charge on the assets of the company to secure the liabilities of any other person, including where practicable, the amount secured.

(2) The following information shall be given with respect to any other contingent liability not provided for–

(a) the amount or estimated amount of that liability;

(b) its legal nature; and

(c) whether any valuable security has been provided by the company in connection with that liability and if so, what.

(3) There shall be stated, where practicable–

(a) the aggregate amount or estimated amount of contracts for capital expenditure, so far as not provided for; and

(b) the aggregate amount or estimated amount of capital expenditure authorised by the directors which has not been contracted for.

(4) Particulars shall be given of–

(a) any pension commitments included under any provision shown in the company's balance sheet; and

(b) any such commitments for which no provision has been made;

and where any such commitment relates wholly or partly to pensions payable to past directors of the company, separate particulars shall be given of that commitment so far as it relates to such pensions.

(5) Particulars shall also be given of any other financial commitments which–

(a) have not been provided for: and

(b) are relevant to assessing the company's state of affairs.

(6) Commitments within any of the preceding sub-paragraphs undertaken on behalf of or for the benefit of –

(a) any holding company or fellow subsidiary of the company; or

(b) any subsidiary of the company;

shall be stated separately from the other commitments within that sub-paragraph and commitments within paragraph (a) shall be stated separately from those within paragraph (b).

Miscellaneous Matters

50. (1) Particulars shall be given in any case where the purchase price or production cost of any asset is for the first time determined under paragraph 28.

(2) Where any outstanding loan made under the authority of section 134 (2) (b) or (c) of this Act (various cases of financial assistance by a company for purchase of its own shares) are included under any item shown in the company's balance sheet, the aggregate amount of those loans shall be disclosed for each item in question.

(3) The aggregate amount which is recommended for distribution by way of dividend shall be stated.

PART IV

INFORMATION SUPPLEMENTING THE PROFIT AND LOSS ACCOUNT

51. Paragraphs 52 to 56 requires information which either supplements the information given with respect to any particular items shown in the profit and loss account or

otherwise provides particulars of income or expenditure of the company or of circumstances affecting the items shown in the profit and loss account.

Separate statement of certain items of income and expenditure

52. (1) Subject to the following provisions of this paragraph, each of the amounts mentioned below shall be stated.

(2) The amount of the interest on or any similar charges in respect of-

(a) bank loans and overdrafts, and loans made to the company (other than bank loans and overdrafts) which–

(i) are repayable otherwise than by instalments and fall due for repayment before the end of the period of five years beginning with the day next following the end of the financial year; or

(ii) are repayable by instalments the last of which falls due for payment before the end of that period; and

(b) loans of any other kind made to the company.

This sub-paragraph shall not apply to interest or charges on loans to the company from group companies, but with that exception, it applies to interest for charges on all loans, whether made on the security of debentures or not.

(c) the amounts respectively set aside for redemption of share capital and for redemption of loans.

(d) the amount of income from listed investments.

(e) The amount of rents from land (after deduction of ground rents, rates and other outgoings).

This amount need only be stated if a substantial part of the company's revenue for the financial year consists of rents from land.

(f) The amount charged to revenue in respect of sums payable in respect of the hire of plant and machinery.

(g) The amount of the remuneration of the auditors (taking "remuneration", for the purposes of this sub-paragraph, as including any sums paid by the company in respect of the auditors' expenses).

Particulars of Taxes

53. (1) The basis on which the date of tax applicable to companies is computed shall be stated.

(2) Particulars shall be given of any special circumstances affecting liability in respect of taxation of profits, income or capital gains for the financial year or liability in respect of taxation of profits, income or capital gains for succeeding financial years.

(3) The following amount shall be stated-

(a) the amount of the corporate tax;

(b) if that amount would have been greater but for relief from double taxation, the amount which it would have been but for such relief;

(c) the amount of the charge for income tax; and

(d) the amount of the charge for taxation imposed on profits made outside Sierra Leone, income and (so far as charged to revenue) capital gains.

These amounts shall be stated separately in respect of the amount which is or would but for paragraph 8 (4) (b) be shown under the following items in the profit and loss account, that is “tax on profit or loss on ordinary activities” and “tax on extraordinary profit or loss”.

Particulars of turnover

54. (1) If in the course of the financial year the company has carried on business of two or more lines that, in the opinion of the directors, differ substantially from each other, there shall be stated in respect of each line (describing it)–

(a) the amount of the turnover attributable to that line; and

(b) the amount of the profit or loss of the company before taxation which is in the opinion of the directors attributable to that line.

(2) If in the course of the financial year the company has supplied markets that, in the opinion of the directors, differ substantially from each other, the amount of the turnover attributable to each market shall also be stated.

(3) In this paragraph “market” means a market delimited by geographical bounds.

(4) In analysing for the purposes of this paragraph, the source, in terms of business or in terms of market, of turnover or, (as the case may be) of profit or

loss, the directors of the company shall have regard to the manner in which the company's activities are organised.

(5) For the purposes of this paragraph-

(a) classes of business which, in the opinion of the directors, do not differ substantially from each other shall be treated as one class; and

(b) markets which, in the opinion of the directors, do not differ substantially from each other shall be treated as one market:

and any amounts properly attributable to one line of business or (as the case may be) to one market which are not material may be included in the amount stated in respect of another.

Particulars of staff

55. (1) The following information shall be given with respect to the employees of the company–

(a) the average number of persons employed by the company in the financial year; and

(b) the average number of persons so employed within each category of persons employed by the company.

(2) The average number required by sub-paragraph (1) (a) or (b) shall be determined by dividing the relevant annual number by the number of weeks in the financial year–

(3) The relevant annual number shall be determined by ascertaining for each week in the financial year–

(a) for the purposes of sub-paragraph (1) (a), the number of persons employed under contracts of service by the company in that week (whether throughout the week or not);

(b) for the purposes of sub-paragraph (1) (a), the number of persons in the category in question of person so employed;

and in either case, adding all the weekly numbers.

(4) In respect of all persons employed by the company during the financial year who are taken into account in determining the relevant annual number for the

purposes of sub-paragraph (1) (a) there shall be stated the aggregate amounts respectively of–

(a) wages and salaries paid or payable; and

(b) other pension costs so incurred;

in so far as those amounts or any of them are stated in the profit and loss account.

(5) The categories of persons employed by the company by reference to which the number required to be disclosed by sub-paragraph (1) (b) is to be determined shall be such as the directors may select having regard to the manner in which the company's activities are organised.

Miscellaneous matters

56. (1) Where any amount relating to any preceding year is included in any item in the profit and loss account, the effect shall be stated.

(2) Particulars shall be given of any extraordinary income or charges arising in the year.

(3) The effect shall be stated of any transactions that are exceptional by virtue of size or incidence though they fall within the ordinary activities of the company.

General

57. (1) Where sums originally denominated in foreign currencies have been

brought into account under any items shown in the balance sheet or profit and

loss account, the basis on which those sums have been translated into Sierra

Leonean currency shall be stated.

(2) In respect of every item stated in a note to the accounts the

corresponding amount for the financial year immediately preceding that to which the accounts relate shall also be stated and where the corresponding amount is not comparable, it shall be adjusted and particulars of the adjustment and the reasons for it shall be given.

THIRD SCHEDULE (Section 452)

MATTERS TO BE DEALT WITH IN DIRECTORS' REPORT

PART I—MATTERS OF A GENERAL NATURE ASSET VALUES

1.—(1) If significant changes in the fixed assets of the company or of any of its subsidiaries have occurred in the financial year, the report shall contain particulars of the changes.

(2) If, in the case of such assets which consist of interests in land, their market value (as at the end of the year) differs substantially, from the amount at which they are included in the balance sheet, and the difference is, in the directors' opinion, of such significance as to require that the attention of members of the company or of holders of its debentures should be drawn to it, the report shall indicate the difference with such degree of precision as is practicable.

Directors' Interests

2.—(1) The report shall state, with respect to each person who, at the end of the year, was a director of the company—

(*a*) whether or not, according to the register kept by the company for the purposes of sections 302 and 303 of this Act (director's obligation to notify his interests in the company and companies in the same group), he was at the end of that year interested in shares in, or debentures of, the company or any other body corporate, being the company's subsidiary or holding company or a subsidiary of the company's holding company ;

(*b*) if he was so interested—

(*i*) the number and amount of shares in, and debentures of, each body (specifying it) in which, according to that register, he was then interested,

(*ii*) whether or not (according to that register) he was, at the beginning of that year or, if he was not then a director, when he became one, interested in shares in, or debentures of, the company or any other such body corporate, and

(*iii*) if he was, the number and amount of shares in and debentures of, each body (specifying it) in which, according to that register, he was interested at the beginning of the year or (as the case may be) when he became a director.

(2) An interest in shares or debentures which, under sections 302 and 303 of this Act, falls to be treated as being the interest of a director is so treated for the purposes of this paragraph, and the references above to time when a person became a director, in the

case of a person who became director on more than one occasion, is the time when he first became a director.

(3) The particulars required by this paragraph may be given by way of notes to the company's accounts in respect of the year, instead of being stated in the directors' report.

Charitable Gifts

3.—(1) Money given for charitable purposes to a person who, when it was given, was ordinarily resident outside Sierra Leone is to be left out of the account.

(2) For the purpose of subparagraph (1),"Charitable purposes" means purposes which are exclusively charitable.

Miscellaneous

4. The directors' report shall contain—

(*a*) particulars of any important event affecting the company or any of its subsidiaries which have occurred since the end of the year ;

(*b*) an indication of likely future developments in the business of the company and of its subsidiaries ;

(*c*) an indication of the activities (if any) of the company and its subsidiaries in the field of research and development ;

(*d*) names of distributors of the company's products ; and

(*e*) particulars of donations and gifts made for any purpose.

PART II—DISCLOSURE REQUIRED BY COMPANY ACQUIRING ITS OWN SHARES

5. This Part of this Schedule applies where shares in a company are—

(*a*) purchased by the company or are acquired by it by forfeiture or surrender in lieu of forfeiture, or in pursuance of section 184 of this Act (acquisition of own shares by company limited by shares) ;

(*b*) required by another person in circumstances where section 183 (3) (*b*) or (*c*) of this Act applies (acquisition by company's nominee, or by another with company financial assistance, the company having a beneficial interest); or

(*c*) made subject to a lien or other charges taken (whether expressly or otherwise) by the company and permitted by section 164 (1) or (4) of this Act.

6. The directors' report with respect to a year shall state—

(*a*) the number and nominal value of the shares so purchased, the aggregate amount of the consideration paid by the company for such shares and the reasons for their purchase ;

(*b*) the number and nominal value of the shares so acquired by the company, acquired by another person in such circumstances and so charged respectively during the year ;

(*c*) the maximum number and nominal value of shares which, having been so acquired by the company, acquired by another person in such circumstances or so charged (whether or not during that year) are held at any time by the company or that other person during the year ;

(*d*) where the number and nominal value of the shares of any particular description are stated in pursuance of any of the preceding sub-paragraphs, the percentage of the called up share which shares of that description represent ;

(*e*) where any of the shares has been so charged, the amount of the charge in each case ;

(*f*) where any of the shares has been disposed of by the company or the

person who acquired them in such circumstances for money or money's

worth, the amount or value of the consideration in each case ; and

(*g*) the excess of the selling price over the purchase price of each share

resold or the excess of the cost over the selling price which was taken to

capital reserve.

PART III—EMPLOYMENT AND EMPLOYEES

Employment of Disabled Persons

7. The directors' report shall contain a statement showing how many disabled persons were employed during the year and describing the policy which the company has applied during the year—

(*a*) for giving full and fair consideration to applications for employment by the company made by disabled persons, having regard to their particular aptitudes and abilities ;

(*b*) for continuing the employment of, and for arranging appropriate training for, employees of the company who have become disabled persons during the period when they were employed by the company ; and

(*c*) otherwise for the training, career development and promotion of disabled persons employed by the company.

Health, Safety and Welfare at work of Company's Employees

8. The directors' report shall contain a statement as to the arrangement in force in the year for securing the health, safety and welfare at work of employees of the company and its subsidiaries, and for protecting other persons against risks to health or safety arising out of or in connection with the activities at work of those employees.

Employee Involvement and Training

9. The directors' report shall contain a statement describing the action that has been taken during the year to introduce, maintain or develop arrangements aimed at—

(*a*) providing employees systematically with information on matters of concern to them as employees ;

(*b*) consulting employees or their representatives on a regular basis so that the views of employees can be taken into account in making decisions which are likely to affect their interests ;

(*c*) encouraging the involvement of employees in the company's performance through an employees' share scheme or by some other means ;

(*d*) achieving a common awareness on the part of all employees of the financial and economic factors affecting the performance of the company ; and

(*e*) showing the arrangements made or facilities provided by the company for the training of employees during the year.

FOURTH SCHEDULE (Sections 478, 481)

ANNUAL RETURN OF A COMPANY HAVING

SHARES OTHER THAN A SMALL COMPANY

UNIFIED SYSTEM

PART I

Contents (Sections 481 and 484)

1. The Board will, within 2 weeks after each review date for a company, give to the company, an extract of particulars for the company that prepopulates existing data on a consolidated electronic form including:

(a) the names, addresses and occupations of all past and present members and the number of shares held by them and the shares transferred;

(b) the address of the registered office, and if the register of members is kept elsewhere than at the registered office of the company, the address of the place where it is kept;

(c) a summary distinguishing between shares issued for cash and shares issued as fully or partly paid up otherwise than in cash, specifying the following particulars:–

(i) the amount of share capital and the number of shares into which it is divided;

(ii) the number of shares taken from the incorporation of the company;

(iii) the amount called up on each share and the total amount of calls received and unpaid;

(iv) the total amount of money, if any, paid by way of Board in respect of any shares or debentures;

(v) particulars of any discount allowed on the issue of any shares issued at a discount or so much of the discount as has not been written off at the date on which the return is made; (vi) the amount of shares forfeited;

(vii) the amount of shares for which share warrants are outstanding and of the share warrants issued and surrendered respectively since the date of the last return and the number of shares comprised in each warrant;

(viii) particulars of directors;

(ix) the amount of indebtedness in respect of all mortgages and charges which are required to be registered under this Act;

(d) beneficial ownership information.

2. The company must respond to the extract of particulars and if any of the details are not correct as at the date the extract is received, the company must correct those details. The response:

(a) must be lodged within 28 days after the date of issue of the extract; and

(b) must be in the prescribed form; and

(c) must be signed or authenticated; and

(d) if any of the particulars are incorrect, the response must be such that the particulars set out in the extract, taken together with the response, are correct as at the date the response is signed or authenticated; and

PART II

Certificates and Other Documents Accompanying Annual Returns

Private Company (Section 484)

Certificate to be given by a director or secretary of every private company

We certify that the company has not since the date of the incorporation of the company/the last annual return, issued any invitation to the public to subscribe for any shares or debentures in the company.

Signed…..……. Director/Secretary

Further certificate to be given as aforesaid if the number of members of the company exceeds fifty.

We certify that the excess of the number of members of the company over fifty consists wholly of persons who, under subsection (4) of section 44 of the Companies and Business Registration Act, are not to be included in reckoning the number fifty.

Signed…..……. Director/Secretary

Public Company (Section 486(3))

Certified Copies of Accounts

There shall be annexed to this return a written copy, certified both by a director and by the secretary of the company to be a true copy, of every balance sheet laid before the company in general meeting during the period to which this return relates (including every document required by law to be annexed to the balance sheet) and a copy (certified as aforesaid) of the report of the directors accompanying each such balance sheet. If any such balance sheet or document required by law to be annexed thereto is in a foreign language, there must also be annexed to that balance sheet a translation in English of the balance sheet or document certified in a prescribed manner to be a correct translation. If any such balance sheet as aforesaid or document required by law to be annexed thereto did not comply with the requirements of the law as in force at the date of audit with respect to the form of balance sheet or documents aforesaid, as the case may be, there shall be made such additions to and corrections in the copy as would have been required to be made in the balance sheet or document in order to make it comply with the said requirements, and the fact that the copy has been amended must be stated thereon.

Every Company (Section 194)

Beneficial Ownership

i/we declare that the information in the Register of Members and the Register of Beneficial Owners is current and accurate.

FIFTH SCHEDULE (Sections 479, 481)

ANNUAL RETURN OF A COMPANY NOT HAVING SHARE CAPITAL

UNIFIED SYSTEM

PART I

Contents

1. The Board will, within 2 weeks after each review date for a company, give to the company, an extract of particulars for the company that prepopulates existing data on a consolidated electronic form including:

(a) the address of the registered office; and

(b) the particulars of directors.

(c) particulars of the total amount of indebtedness of the company in respect of all mortgages and charges which are required to be registered with the Board under this Act.

2. The company must respond to the extract of particulars and if any of the details are not correct as at the date the extract is received, the company must correct those details. The response:

(a) must be lodged within 28 days after the date of issue of the extract; and

(b) must be in the prescribed form; and

(c) must be signed or authenticated; and

(d) if any of the particulars are incorrect, the response must be such that the particulars set out in the extract, taken together with the response, are correct as at the date the response is signed or authenticated.

PART II

Certificates and Other Documents Accompanying Annual Returns

Private Company (Section 484)

Certificate to be given by a director or secretary of every private company

I certify that the company has not since the date of the incorporation of the company/the last annual return, issued any invitation to the public to subscribe for any shares or debentures in the company.

Signed…..……. Director/Secretary

Further certificate to be given as aforesaid if the number of members of the company exceeds fifty.

I certify that the excess of the number of members of the company over fifty consists wholly of persons who, under subsection (4) of section 44 of the Companies and Business Registration Act, are not to be included in reckoning the number fifty.

Signed…..……. Director/Secretary

Public Company (Section 483(3))

Certified Copies of Accounts

There shall be annexed to this return a written copy, certified both by a director and by the secretary of the company to be a true copy, of every balance sheet laid before the company in general meeting during the period to which this return relates (including every document required by law to be annexed to the balance sheet) and a copy (certified as aforesaid) of the report of the directors accompanying each such balance sheet. If any such balance sheet or document required by law to be annexed thereto is in a foreign language, there must also be annexed to that balance sheet a translation in English of the balance sheet or document certified in a prescribed manner to be a correct translation. If any such balance sheet as aforesaid or document required by law to be annexed thereto did not comply with the requirements of the law as in force at the date of audit with respect to the form of balance sheet or documents aforesaid, as the case may be, there shall be made such additions to and corrections in the copy as would have been required to be made in the balance sheet or document in order to make it comply with the said requirements, and the fact that the copy has been amended must be stated thereon.

Every Company (Section 194)

Beneficial Ownership

i/we declare that the information in the Register of Members and the Register of Beneficial Owners is current and accurate.

SIXTH SCHEDULE (*Section* 480, 481)

ANNUAL RETURNS OF A SMALL COMPANY

UNIFIED SYSTEM

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1. The Board will, within 2 weeks after each review date for a company, give to the company, an extract of particulars for the company that prepopulates existing data on a consolidated electronic form including:

(a) the name and address of the registered office of the company;

(b) if the register of members is, under this Act, kept elsewhere than at the registered office of the company, the address of the place where it is kept;

(c) if any register of debenture holders of the company or part of such register is, under this Act, kept elsewhere than at the registered office of the company, the address of the place where it is kept;

(d) the share capital of the company;

(e) the issued capital;

(f) particulars of the total amount of indebtedness of the company in respect of all mortgages and charges which are required to be registered with the Board under this Act;

(g) particulars of the directors and secretary (if any);

(h) beneficial ownership information.

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2. The company must respond to the extract of particulars and if any of the details are not correct as at the date the extract is received, the company must correct those details. The response:

(a) must be lodged within 28 days after the date of issue of the extract; and

(b) must be in the prescribed form; and

(c) must be signed or authenticated; and

(d) if any of the particulars are incorrect, the response must be such that the particulars set out in the extract, taken together with the response, are correct as at the date the response is signed or authenticated.

SEVENTH SCHEDULE (Section 703)

Prospectus Minimum Content When a Public Company Offers Shares to Public

PART 1– MATTERS REQUIRED TO BE STATED IN A PROSPECTUS

1. Except where the prospectus is published as a newspaper advertisement,

the contents of the memorandum, with the names, descriptions and addresses of

the signatories, and the number of shares subscribed for by them respectively.

2. The number of founders or management or deferred shares, if any, and

the nature and extent of the interest of the holders in the property and profits of the company.

3. The number of shares, if any, fixed by the articles as the qualification of

a director, and any provision in the articles as to the remuneration of the directors.

4. The names, descriptions and addresses of the directors or proposed directors and of the managers or proposed managers (if any).

5. Where shares are offered to the public for subscription, particulars as to-

(a) the minimum amount which, in the opinion of the directors, must be raised by the issue of those shares in order to provide the sums or, if any part thereof is to be defrayed in any other manner, the balance of the sums, required to be provided in respect of each of the following matters:-

(i) the purchase price of any property purchased or to be purchased which is to be defrayed in whole or in part out of the proceeds of the issue;

(ii) any preliminary expenses payable by the company, and any commission so payable to any person in consideration of his agreeing to subscribe for, or of his procuring or agreeing to procure subscriptions for, any shares in the company;

(iii) the repayment of any moneys borrowed by the company in respect of any of the foregoing matters ;

(iv) working capital; and

(b) the amounts to be provided in respect of the matters referred to in sub-paragraph (a) otherwise than out of the proceeds of the issue and the sources out of which those amounts are to be provided.

6. The amount payable on application and allotment on each share and, in the case of a second or subsequent offer of shares, the amount offered for subscription on each previous allotment made within the 2 preceding years, the amount actually allotted, and the amount, if any, paid on the shares so allotted.

7. The number and amount of shares and debentures which, within the 2 preceding years have been issued or agreed to be issued, as fully or partly paid up otherwise than in cash, and in the latter case the extent to which they are so paid up, and in either case the consideration for which those shares or debentures have been issued or are proposed or intended to be issued.

8. The names and addresses of the vendors of any property purchased or acquired by the company, or proposed to be purchased or acquired, which is to be paid for wholly or partly out of the proceeds of the issue offered for subscription by the prospectus, or the purchase or acquisition of which has not been completed at the date of issue of the prospectus, and the amount payable in cash, shares or debentures, to the vendor; and where there is more than one separate vendor, or the company is a sub-purchaser, the amount so payable to each vendor.

9. The amount if any, paid or payable as purchase money in cash, shares or debentures, for such property, specifying the amount, if any, payable for goodwill.

10. The amount, if any, paid within the 2 preceding years or payable as commission (but not including commission to sub-underwriters) for subscribing or agreeing to subscribe, or agreeing to procure subscriptions, for any shares in, or debentures of, the company, or the rate of such commission.

11. The amount or estimated amount of preliminary expenses.

12. The amount paid within the 2 preceding years or intended to be paid to

any promoter, and the consideration for such payment.

13. The dates of and parties to every material contract, not being a contract entered into in the ordinary course of the business carried on or intended to be carried on by the company or a contract entered into more than 2 years before the date of issue of the prospectus, and a reasonable time and place at which such material contract or a copy thereof may be inspected.

14. The names and addresses of the auditors, if any, of the company.

15. Full particulars of the nature and extent of the interest, if any, of every director in the promotion of, or in the property proposed to be acquired by, the company, or, where the interest of such a director consists in being a partner in a firm, the nature and extent of the interest of the firm, with statement of all sums paid or agreed to be paid to him or to the firm in cash or shares or otherwise by any person either to induce him to become or to qualify him as a director, or, otherwise for services rendered by him or by the firm in connection with the promotion or formation of the company.

16. If the prospectus invites the public to subscribe for shares in the company and the share capital of the company is divided into different classes of shares, the right of voting at meetings of the company conferred by, and the rights in respect of capital and dividends attached to the several classes of shares respectively.

17. In the case of a company which has been carrying on business, or of a business which has been carried on, for less than 3 years, the length of time during which the business of the company or the business to be acquired, as the case may be, has been carried on.

PART II–REPORTS TO BE SET OUT IN PROSPECTUS

1. A report by the auditors of the company with respect to the profits of the company in respect of each of the three financial years immediately preceding the issue of the prospectus, and with respect to the rates of the dividends, if any, paid by the company in respect of each class of shares in the company in respect of each of the 3 years, giving particulars of each class of shares on which the dividends have been paid and particulars of the cases in which no dividends have been paid in respect of any class of shares in respect of any of those; years and, if no accounts have been made up in respect of any part of the period of 3 years ending on a date 3 months before the issue of the prospectus, containing a statement of that fact.

2. If the proceeds or any part of the proceeds, of the issue of the shares or debentures are or is to be applied directly or indirectly in the purchase of any business, a report made by accountants who shall be named in the prospectus upon the profits of the business in respect of each of the 3 financial years immediately preceding the issue of the prospectus.

PART III–PROVISIONS APPLYING TO PARTS I AND II

1. The provisions of this Schedule with respect to the memorandum and the qualification, remuneration and interest of directors, the names, descriptions and addresses of directors or proposed directors, and the amount or estimated amount of the preliminary expenses, shall not apply in the case of a prospectus issued more than 2 years after the date at which the company is entitled to commence business.

2. Every person shall, for the purposes of this Schedule be deemed to be a vendor who has entered into any contract, absolute or conditional, for the sale or

purchase or for any option of purchase, of any property, to be acquired by the company in any case where–

(a) the purchase money is not fully paid at the date of the issue of the prospectus;

(b) the purchase money is to be paid or satisfied wholly or in part out of the proceeds of the issue offered for subscription by the prospectus;

(c) the contract depends for its validity or fulfilment on the result of that issue.

3. Where any property to be acquired by the company is to be taken on lease, this Schedule shall have effect as if the expressions " vendor " included the lessor, "purchase money" included the consideration for the lease, and "sub-purchaser" included a sub-lessee.

4. For the purposes of item 8 of Part I, where the vendors or any of them are a firm, the members of the firm shall not be treated as separate vendors.

5. If in the case of a company which has been carrying on business, or of a business which has been carried on for less than 3 years, the accounts of the company or business have only been made up in respect of 2 years or one year, Part II shall have effect as if references to 2 years or one year, as the case may be, were substituted for references to 3 years.

6. The expression "financial year" in Part II means the year in respect of which the accounts of the company or of the business, as the case may be, are made up, and where by reason of any alteration of the date on with the financial year of the company or business terminates the accounts of the company or business

have been made up for a period greater or less than a year, that greater or less period shall for the purpose of that Part be deemed to be a financial year.

…….

EIGHTH SCHEDULE (Section 226)

FORM OF STATEMENT IN LIEU OF PROSPECTUS TO BE DELIVERED TO REGISTRAR BY A PRIVATE COMPANY ON BECOMING A PUBLIC COMPANY

Statement in lieu of prospectus delivered for registration by (Insert the name of the company)

PURSUANT TO SECTION 226 OF THE Companies and Business Registration Act.

DELIVERED FOR REGISTRATION BY

The nominal share capital of the Company Le

divided into .... Shares of Le……each

“ “ ……”

“ “ ……”

Amount (if any) of above capital which consists of Shares of Le……..

redeemable preference shares.

The date on or before which these shares are, or

are liable to be redeemed.

Names, descriptions and addresses of directors

or proposed directors.

Amount of shares issued … … … Shares

Amount of commissions paid in connection

therewith.

Amount of discount, if any, allowed on the issue

of any shares, or so much thereof as has not been

written off at the date of the statement.

Unless more than one year has elapsed since the

date on which the Company was entitled to

commence business–

Amount of preliminary expenses Le……..

Amount paid to any promoter ... ... Name of promoter.

Amount Le……

Consideration for the payment … … … Consideration-

If the share capital of the Company is divided into

different classes of shares, the right of voting at meetings

of the Company conferred by, and the rights in respect

of capital and dividends attached to, the several classes

of shares respectively.

Number and amount of shares and debentures issued 1….shares of Le……

within the 2 years preceding the date of this statement fully paid.

as fully or partly paid up otherwise than for cash or 2. …….shares upon

agreed to be so issued at the date of this statement. which Le……per

share credited as paid

Consideration for the issue of those shares or debentures. 3. …Debenture Le…….

4. Consideration-

Names and addresses of vendors of property

(1) purchased or acquired by the Company within the 2

years preceding the date of this statement or (2) agreed

or proposed to be purchased or acquired by the Company.

Amount (in cash, shares or debentures) paid or payable

to each separate vendor.

Amount paid or payable in cash, shares or debentures. Total purchase price Le

for such property, specifying the amount paid or Cash … … … Le…..

payable for goodwill.

Shares … … … Le…..

Debentures … Le…..

Dates of, and parties to, every material contract (other Goodwill ……. Le…..than contracts entered into in the ordinary course of business

or entered into more than 2 years before the delivery of this

statement).

Time and place at which the contracts or copies thereof may be inspected.

Names and address of the auditors of the Company.

Full particulars of the nature and extent of the interest of every director in any property purchased or acquired by the Company within the two years preceding the date of this statement or proposed to be purchased or acquired

by the Company or, where the interest of such a director consists in being a partner in a firm, with a statement of all sums paid or agreed to be paid to him or to the firm in cash or shares or otherwise, by any person either to induce

him to become or to qualify him as a director, or otherwise for services rendered or to be rendered to the Company by him or by the firm.

Rates of the dividends (if any) by the Company in respect of each class of shares in the Company in each of the three financial years immediately preceding the date of this statement or since the incorporation of the Company whichever period is the shorter.

Particulars of the cases in which no dividends have been paid in respect of any class of shares in any of these years.

If any of the unissued shares or debentures are to be applied in the purchase of any business the amount, as certified by the persons by whom the accounts of the business have been audited, of the net profit of the business

in respect of each of the three financial years immediately preceding the date of this statement; but in the case of a business which has been carried on for less than three years and the accounts of which have only been made up in respect of two years or one year the above requirement shall have effect as if references to 2 years or one year, as the case may be, were substituted for references to 3 years, and in such case the statement shall say how long the business to be acquired has been carried on.

Signatures of the persons above-named as directors or proposed directors (or of their agents authorized in writing).

Date……20 ……..

……..

……

NINTH SCHEDULE (Section 73)

Default Provisions Relating to Limited Liability Partnership

1. The mutual rights and duties of the partners and the mutual rights and duties of the limited liability partnership and its partners shall be determined, subject to the terms of

any limited liability partnership agreement or in the absence of any such agreement on any matter, by the provisions of this Schedule.

2. All the partners of a limited liability partnership are entitled to share equally in the capital, profits and losses of the limited liability partnership.

3. The limited liability partnership shall indemnify each partner in respect of payments made and personal liability incurred by him –

(a) in the ordinary and proper conduct of the limited liability partnership ; or

(b) in or about anything necessarily done for the preservation of the business or property of the limited liability partnership.

4. Every partner shall indemnify the limited liability partnership for any loss caused to it by his fraud in the conduct of the business of the limited liability partnership.

5. Every partner may take part in the management of the limited liability partnership.

6. No partner shall be entitled to remuneration for acting in the business or management of the limited liability partnership.

7. A person can only become a partner in a limited liability partnership with the consent of all the existing partners.

8. Any matter or issue relating to the limited liability partnership shall be decided by a resolution passed by a majority in number of the partners, and for this purpose, each partner shall have one vote. However, no change may be made in the nature of business of the limited liability partnership without the consent of all the partners.

9. Every limited liability partnership shall ensure that decisions taken by

it are recorded in the minutes within 30 days of taking such decisions are kept

and maintained at the registered office of the limited liability partnership.

10. Each partner shall render true accounts and full information of all

things affecting the limited liability partnership to any partner or his legal

representative.

11. If a partner, without the consent of the limited liability partnership,

carries on any business of the same nature as and competing with the limited

liability partnership, he must account for and pay over to the limited liability

partnership all profits made by him in that business.

12. Every partner shall account to the limited liability partnership for any

benefit derived by him without the consent of the limited liability partnership

from any transaction concerning the limited liability partnership, or from any use by him of the property, name or any business connection of the limited liability.

13. No majority of the partners can expel any partner unless a power to

do so has been conferred by express agreement between the partners.

14. All disputes between the partners arising out of the limited liability

partnership agreement which cannot be resolved in terms of such agreement

shall be referred for arbitration as per the provisions of the Arbitration Act.

15. The limited liability partnership shall not, without the consent of all

partners, sell assets having a value of more than 50% of the total value of

assets of the limited liability partnership.

16. A partner shall not sell or agree to sell his interest in the partnership

to a non-partner without first offering his interest to existing partners.

17. A partner or group of partners acting together, shall not sell or agree

to sell more than 50% of interest or combined interest in the partnership unless that non-partner has offered to buy all of the partners' interests and on the same terms.

TENTH SCHEDULE

BENEFICIAL OWNERS
REGISTER OF BENEFICIAL OWNERS

Section 180 of the Companies and Business Registration Act, 2026

Name of company: .....

Number of company :.....

To the Registrar of Companies:

The above company hereby lodges the register of beneficial owners in accordance with section 180 of the Companies and Business Registration Act, 2026 that the following person is a beneficial owner of the company

Date that the person became a beneficial owner: ___/_/_____[dd/mm/yyyy]

BENEFICIAL OWNER

BENEFICIAL OWNERSHIP FORM

Notice of Persons with Significant Control

Pursuant to Sections xxx and

owned.

A. Entity Information

Entity Name		
Registration Number		
Tax Identification Number (TIN)		
Jurisdiction		Where applicable
Entity type	Private Company Public Company Unlimited Company Company Limited by Guarantee Limited Liability Partnership	Natural Person must be the subject of all PSC disclosures. If a legal entity is a PSC, a natural person or persons who influence/control it must be disclosed. i

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	Foreign Exempted Company	
State Owned Enterprise (SOE)	Yes ☐ No ☐	Please check 'Yes' if the entity has government participation or control.
Submission Date	_ _-_ _ _-_ _ _ _ day-month-year	The date on which this information was submitted to the NIB. Input the month as abbreviated text e.g., 30-Jan-2020

B. PSC Notification – Natural Person

One copy should be filled out for *each* natural person who is a person with significant control.

Details of the person with significant control

Date this person became of PSC	_ _-_ _ _-_ _ _ _ day-month-year	The date on which the natural person became PSC. Input the month as abbreviate text e.g., 30-Jan-2027
Title		
First Name		This should be the *current* legal name of the PSC.

Surname			The given names of the PSC used to distinguish the individual within the family.
Former names			Applicable if there is change of name
Designation			Applicable to SOEs
City			
State			
Nationality			
Country of residence			
Identification type			Means of identification e.g. international passport, National ID card
Identification number			
Gender			
Email			
Phone number			
Address –service	Building name/number		The service address of the PSC
	Street		

	City		
	State		
	Country		
Address—residential	Building name/number		The residential address of the PSC (not for publication) Individual's residential address. This address cannot be a P O Box number.
	Street		
	City		
	State		
	Country		
Tax residency			A jurisdiction or jurisdictions in which the PSC is resident for tax purposes.
Tax Identification Number (TIN)			Individual TIN, if applicable

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Date of birth	_ _-_ _ _-_ _ _ _ day-month-year	Input the month as abbreviated text e.g., 30-Jan-2020

C. Details of Politically Exposed Person (PEP)

Is the individual named above a PEP, because of holding a position of importance?	Yes ☐ No ☐ If the answer is yes, please select the PEP type Domestic PEP ☐ Foreign PEP ☐ International Organization PEP ☐	Check Yes if the individual named above is a PEP
	Yes ☐ No ☐	Where the above is yes,

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Is the individual named above being a close relative or associate of a person holding a position of importance?	PEP type Domestic PEP ☐ Foreign PEP ☐ International Organization PEP ☐ Nature of relationship to the PEP ……..…… ***PEP details*** First name ……. Surname …… Former name…….. Date of birth _ _-_ _ _-_ _ _ _ day-month-year	please complete the below section. State the nature of connection to PEP e.g. family member, close associate, etc.
Reason for PEP status	Head of Sate/Government ☐ Senior political party official ☐ Judicial officer ☐ Government official ☐ Military official ☐ Title/Role of the office holder ……..	An individual is eligible for PEP in each status.

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	Office/Department ……	

D. Details of the interest(s) held

Interests held			
Shares in a company or interest in a limited liability partnership			
Does the PSC directly or indirectly hold at least 5% of the **shares or interest** in a company or limited liability partnership?	Yes/No		If 'Yes', state the percentage held directly and indirectly. Where percentage is held indirectly, Please complete the section below.
	Percentage held **directly**		
	Percentage held **indirectly**		
	Name of legal owner(s) of **shares or interest** in the Register and the percentage of the PSC's overall interest held through them.		Where some part of the interest is held **indirectly**, the name of the legal owner through which this interest is held should be provided. Where the PSC holds the interest through a *combination of* legal owners in the

	Name(s), jurisdiction(s), and entity number(s) of legal owner(s)	Share (%)	Register, all relevant legal owners should be listed. Where the legal owner is a natural person, the name should be as it appears on the Register. Where the legal owner is an entity, the entity number and jurisdiction should also be provided.
Voting rights in a company or limited liability partnership			
Does the PSC directly or indirectly hold at least 5% of the **voting rights**in a company or limited partnership?	Yes/No		If 'Yes', state the percentage held directly and indirectly. Percentage held **directly** Percentage held **indirectly** Where percentage is held indirectly, please complete the section below.
	Percentage held **directly**		
	Percentage held **indirectly**		
	Name of legal owner(s) of **voting rights** in the Register and the percentage of the PSC's overall interest held through them.		If the names **and** percentages of the legal owners are the same as the **shares and interest** declaration, then this section can be left blank.

	Name(s), jurisdiction(s), and entity number(s) of legal owner(s)	Voting rights (%)	Where some part of the interest is held **indirectly**, the name of the legal owner through which this interest is held should be provided. Where the PSC holds the interest through a *combination* of legal owners in the Register, all relevant legal owners should be listed. Where the legal owner is a natural person, the name should be as it appears on the Register. Where the legal owner is an entity, the entity number and jurisdiction should also be provided.
The right to appoint or remove a majority of the directors or partners			
Does the PSC directly or indirectly hold the right to **appoint or remove a majority of the directors or partners** in a company or limited liability partnership?	Yes/No		
Significant influence or control over a company or limited liability partnership			

Does the PSC otherwise have the right to exercise or is actually exercising **significant influence or control** over a company or limited liability partnership?	Yes/No			

E. Guidance

The forms above contain some inline guidance

Term	Definition

Person with significant control	“person with significant control PSC” means any person who meets any of the following conditions in relation to the company or limited liability partnership: ● directly or indirectly holding at least 5% of the shares or interest in a company or limited liability partnership; ● directly or indirectly holding at least 5% of the voting rights in a company or limited liability partnership; ● directly or indirectly holding the right to appoint or remove a majority of the directors or partners in a company or limited liability partnership; ● otherwise having the right to exercise or actually exercising significant influence or control over a company or limited liability partnership; or ● having the right to exercise, or actually exercising significant influence or control over the activities of a trust or firm whether or not it is a legal entity, but would itself satisfy any of the first four conditions if it were an individual.” ● For the purpose of clarifying the definition of "persons of significant control" in the Act, the "person" referred to in that definition shall be a natural person.

Instructions

Complete all relevant sections. If any information to be included on the form, such as a person's name, is not originally in the Latin alphabet, please use a recognised transliteration into the Latin alphabet.

PSC must be disclosed in one of five ways:

1. when a new company/limited liability partnership is formed

2. filing an annual return

3. if a person becomes PSC

4. notification for foreign exempted company/limited liability partnership

5. filing of annual report by foreign exempted company/limited liability partnership

What is this form?

To enhance transparency in doing business in Sierra Leone and adhere to Sierra Leone's International obligations under the Financial Action Task Force (FATF), the Companies and Business Registration Act2026, requires the NIB to obtain, verify, and record information about persons with significant control in companies and

limited liability partnerships, as defined under the Act.

Under the Schedule, every company and limited liability partnership must complete Form xxx to notify the NIB of its PSC.

This form collects information on the natural persons who are PSC and their interest in the company or limited liability partnership.

Who must complete this form?

Every entity that needs to disclose one or more PSC must fill out this form.

ELEVENTH SCHEDULE Part XIX

WINDING UP

See forms below for:

Appointment of an administrator, receiver, receiver manager or supervisor for company voluntary arrangement

Application of striking-off by company

Notice of Statutory Declaration of Solvency

Appointment of liquidator

Statement of Affairs

Appointment of an administrator, receiver, receiver manager or supervisor for

company voluntary arrangement

Pursuant to Sections xxx and

xxx of the Companies Act

1. Company details		
Registration Number		
Company name in full		
2. Details of the person who appointed or obtained an order to appoint an administrator, receiver, manager or supervisor		
Name in full		
Address	Number/building name	
	Street	

	City/Town/Village			
	Local Government (where applicable)			
	State			
	Identity number		Identity type	
Telephone number			Email	
3. **Appointment details** please give the name and address of the administrator, receiver, receiver manager, supervisor for company voluntary arrangement or liquidator				
Name				
	Number/building name			
	Street			
	City/Town/Village			
	Local Government (where applicable)			
	State			

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Telephone number		Email	
4. **Date of appointment**			
5. Appointment Type	Please show the nature of the appointment. Please tick the appropriate box ☐ Administrator (**Please also complete PART B and C**) ☐ Receiver ☐ Receiver Manager ☐ Supervisor for company voluntary arrangement		
	Is the appointment over 'part' or 'the whole' of the property or undertaking of the company? ☐ Part of the property or undertaking of the company ☐ The whole of the property undertaking of the company		
6. **Details of Appointment**			
Date of appointment			
Mode of appointment	☐ An order was obtained ☐ Under the powers contained in the instrument		
7**. Authentication**			
Name		This form is authorised by a Director, Secretary or any authorised officer of the company.	
Description			

PART B

STATUTORY DECLARATION

WE…….. of ……. being the

…….do solemnly and sincerely declare

1. That we hold floating charge in respect of the Companies Property.

2. That each floating charge is enforceable on the date of the appointment.

3. That consents of holders of prior floating charges have been obtained where applicable.

4. That appointment is in accordance with the general provisions of the Companies and Business Registration Act.

Declared at the ……. this ……. day of ……, 20…

Before Me

_____

Commissioner for Oaths/Notary Public

PART C

STATEMENT BY ADMINISTRATOR

I(we)……consent to my(our) appointment as

Administrator(s) in respect of ……

That in my(our)opinion the purpose of administration is likely to be achieved.

Signature:

Phone number:

E-mail address:

Presented for filing by:

Name	

Address	Street		
	City area/District		
	City/Town/Village		
	Local Government		
	Postal Code		
	State		
	Country		
Phone number			
Email		Accreditation number (where applicable)	
Signature		*Date*	

NOTE:

The Companies and Business Registration Act, 2026 Section 729(1) provides

(1) Any person who, with respect to a document required by or for the purpose of this Act–

(a) makes, or authorises the making of, a statement that is false or misleading in a material particular knowing it to be false or misleading;

(b) omits, or authorises the omission from it, any matter knowing that the omission makes the document false or misleading in a material particular,

commits an offence, and is liable on conviction to a fine not exceeding Le8,000,000 or to a term of imprisonment not exceeding 3 years or to both the fine and imprisonment.

Application of striking-off by company

Section 657 of the Companies and Business Registration Act

guidance at www.xxx

1. Company details			
Registration Number			
Company name in full			
2. Date of Special Resolution			
Warning to all interested parties			
	This is an important notice and should not be ignored. The company named has applied for striking off from the Register and dissolved. Please note that on dissolution all property and rights whatsoever vested in or held on trust for the company immediately before its dissolution, including leasehold property (but not including property held by the company on trust for any other person) shall, subject and without prejudice to any order which may at any time be made by the Court, be deemed to be vested in the State.		
3. Date of publication within 28 days of passing the resolution, calling for objections			
Newspaper	SN	Title	Date
	1		

	2		
	3		

4. The application I/we as director(s) the majority of directors apply for this company to be struck off the Register and declare that: 1) none of the circumstances described in section xxx of the Companies and Business Registration Act2026 (being circumstances in which the directors would otherwise be prohibited under this section from making application) exists in relation to the company and 2) we have complied with the requirement of section xxx of the Companies and Business Registration Act2026.	**Warning to all applicants** It is an offence to knowingly or recklessly provide false or misleading information on this application. You are advised to read section xx of the Companies and Allied Matters Act 2026 before completing this form. If in doubt, seek professional guidance.

This form must be signed by the sole director if only 1, by both if there are 2, or by the majority if there are more than 2.

SN	NAME	SIGN	DATE
1			
2			
3			

Presented for filing by:

Name		
Address	Street	

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	City area/District		
	City/Town/Village		
	Local Government		
	Postal code		
	State		
	County		
Phone Number			
Email		Accreditation Number (where applicable)	
Signature		Date	

NOTE:

The Companies and Business Registration Act, 2026 section 729 provides:

(1) Any person who, with respect to a document required by or for the purpose of this Act–

(a) makes, or authorises the making of, a statement that is false or misleading in a material particular knowing it to be false or misleading;

(b) omits, or authorises the omission from it, any matter knowing that the omission makes the document false or misleading in a material particular,

commits an offence, and is liable on conviction to a fine not exceeding Le8,000,000 or to a term of imprisonment not exceeding 3 years or to both the fine and imprisonment.

Notice of Statutory Declaration of Solvency

Pursuant to Section 579(1)of the Companies and Business Registration Act 2026

1. Company details																			
Registration Number																			
Company name in full																			
2. Statement of Assets and Liabilities made up to		d		d		m		m		y		y			y		y		
3. Date of declaration		d		d		m		m		y		y		y		y			

STATUTORY DECLARATION OF SOLVENCY

We _____ of _____ and

_____

Of _____ being all/majority of the directors of the above company made a full enquiry into the affairs of the company, and, that having so done, we have formed the opinion that the company will be able to pay its debt in full within a period of_____ months from the commencement of the winding up, and we append a statement of the company's assets and liabilities as at _____ 20_____ being the latest practicable date before the making of this declaration.

We make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Oath Act.

Declared at _____ the _____ day of _____, 20_____

Before me

Commissioner for Oaths/Notary Public

Presented for filing by:

Name			
Address	Street		
	City area/District		
	City/Town/Village		
	Local Government		
	Postal code		
	State		
	County		
Phone Number			
Email		Accreditation Number (where applicable)	
Signature		Date	

NOTE:

The Companies and Business Registration Act, 2026, Section 729 provides:

(1) Any person who, with respect to a document required by or for the purpose of this Act–

(a) makes, or authorises the making of, a statement that is false or misleading in a material particular knowing it to be false or misleading;

(b) omits, or authorises the omission from it, any matter knowing that the omission makes the document false or misleading in a material particular,

commits an offence, and is liable on conviction to a fine not exceeding Le8,000,000 or to a term of imprisonment not exceeding 3 years or to both the fine and imprisonment.

Notice of resolution for voluntary winding up

Pursuant to Sections xxx and

xxx of the Companies and Business Registration Act

1. Company details		
Registration Number		
Company name in full		
2. Nature of winding up	Please tick one Members' voluntary winding up ☐ Creditors' voluntary winding up ☒	
3. Date of special		Please fill 3 and 4 only for members' voluntary winding up

resolution				
4. **Publication details**				
	Date			
Newspaper	SN	Title	Page No.	Date
	1			
	2			
5. Date of Meeting of Creditors		Please fill 3 to 6 for Creditor's winding up		
6. Publication details for meeting of Creditors				
	Date			
Newspaper	SN	Title	Page No.	Date
	1			
	2			

7. Authentication					
Name		This form is authorised by a Director, Secretary or any authorised officer of the company.			
Description					

Presented for filing by:

Name			
Address	Street		
	City area/District		
	City/Town/Village		
	Local Government		
	Postal Code		
	State		
	Country		
Phone Number			
Email		Accreditation Number (where applicable)	

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Signature		Date	

NOTE:

The Companies and Business Registration Act, 2026 Section 729 provides:

(1) Any person who, with respect to a document required by or for the purpose of this Act–

(a) makes, or authorises the making of, a statement that is false or misleading in a material particular knowing it to be false or misleading;

(b) omits, or authorises the omission from it, any matter knowing that the omission makes the document false or misleading in a material particular,

commits an offence, and is liable on conviction to a fine not exceeding Le8,000,000 or to a term of imprisonment not exceeding 3 years or to both the fine and imprisonment.

Appointment of liquidator

Pursuant to Section 591 of the Companies and Business Registration Act 2026

1. Company details			
Registration Number			
Company name in full			
Telephone number			
2. Liquidator's details		Email	
Name			

Address	Number/building name									
	Street									
	City/Town/Village									
	Local Government (where applicable)									
	State									
Telephone number					Email					
3. Date of appointment										
Date of appointment	d	d	m	m	y		y	y	y	
4. Publication details										
	Please give the publication details below									
	Date									
Newspaper	SN	Title				Page No.		Date		
	1									
	2									

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5. Instrument of appointment	
	Please tick the appropriate box below: ☐ Court Order ☒ Special resolution

6. Authentication		
Name		This form is authorised by a Director, Secretary or any authorised officer of the company.
Description		

Presented for filing by:

Name		
Address	Street	
	City area/District	
	City/Town/Village	
	Local Government	
	Postal Code	
	State	

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	Country			
Phone Number				
Email		Accreditation Number (where applicable)		
Signature		Date		

NOTE:

The Companies and Business Registration Act, 2026 Section 729 provides:

(1) Any person who, with respect to a document required by or for the purpose of this Act–

(a) makes, or authorises the making of, a statement that is false or misleading in a material particular knowing it to be false or misleading;

(b) omits, or authorises the omission from it, any matter knowing that the omission makes the document false or misleading in a material particular,

commits an offence, and is liable on conviction to a fine not exceeding Le8,000,000 or to a term of imprisonment not exceeding 3 years or to both the fine and imprisonment.

Companies Board

STATEMENT OF AFFAIRS

For the purposes of sections xxx of

Companies and Business Registration Act2026

Notes for Completion of Form

Introduction

1. Where a company receives a notice of appointment of receiver under section

Xx of the Companies and Business Registration Act2026, there shall

within xx days after the receipt of the notice, be made out and submitted to the receiver in accordance

with section xx a statement of affairs of the company as at the date of the receiver's appointment.

This form should be used for making such a statement

2. Within xx months after receipt of the statement of affairs, the receiver shall send to the Companies Director the following —

(a) a copy of the statement and of any comments he sees fit to make thereon; and

(b) a summary of the statement and of his comments (if any) thereon.

3. Please fill in all particulars and complete all items in English.

Please note that handwritten forms will be rejected by the Companies Board.

4. Please complete the Presenter's Reference. Unless the presenter needs to raise a specific issue for the attention of the Companies Board, no covering letter is required.

5. This form can be delivered electronically, by post or in person to "The Companies Board, xxx, Sierra Leone". If the form is delivered by post but the Director has not received it, the form will not be regarded as having been delivered to the Director in satisfaction of the relevant provision of the Companies Act and other Allied Matters Act.

Signature

6. This form must be signed by one or more of the persons who are at the date of the receiver's

appointment the directors and by the person who is at that date the company secretary of the

company (if there is one). Please note that in accordance with section xx of the Companies and other Allied Matters Act. A form which is not properly signed will be rejected by the Companies

Board.

Business Registration Number

7. Please provide the business registration number.

Lists and Schedules

8. Please specify the names and addresses of the banks. numbers and respective balances of all accounts in respect of the company. For each bank, please state the account

9. Please state the nature of the asset under each item.

10. Please arrange the names in alphabetical order and number them consecutively.

11. (a) If a debtor to the company is also a creditor, but the amount owed by the debtor to the company is greater than the amount that the company owes the debtor, Schedule II to List A should be used. The net amount due to the company by the debtor should be inserted in the column under the heading 'Amount of debt'. The gross amount due to the company and the amount of the contra account should be shown in the fourth column in the format of —

Le

Due to company

***Less* : Claim against company (_____)**

(b) If a creditor of the company is also a debtor, but the amount owed by the company to the creditor is greater than the amount that the creditor owes the company, the Schedule to List E should be used. The net amount due to the creditor by the company should be inserted in the column under the heading 'Amount of debt'. The gross amount due to the creditor and the amount of the contra account should be shown in the fourth column in the format of —

Le

Total amount of claim

***Less* : Due to company (_____)**

12. Please insert the particulars of any bills of exchange and promissory notes held by a creditor immediately below the address of such creditor.

13. For contingent liabilities included in the list, please state the nature of the liabilities in the column under the heading 'Consideration'.

Statement of Affairs

Business Registration Number

Note

Company Name

We, being the director / directors * and the company secretary of the above-named company, hereby confirm that the contents of the statement made on pages 2 and 3 and the several lists hereto annexed marked

_____

and submitted in accordance with section xxx of the Companies and Business Registration Actare true.

Name : Signed : Date :

Company Secretary

(If there is one) DD / MM / YYYY

Name : Signed : Date :

Director DD / MM / YYYY

Name : Signed : Date :

Director DD / MM / YYYY

** Delete whichever does not apply*

Presentor's Reference	**For Official Use**
Name: Address: Tel: Email: Reference: Fax:	

Business Registration Number

Statement of Affairs

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showing assets at the estimated realisable values and liabilities expected to rank

Date of Statement of Affairs

(being the Date of Appointment of the Receiver)

DD MM YYYY

Related List		Particulars	Amount
List No.	Type 'NIL' if no entries in the List		Le
		ASSETS	
A		(1) Assets not specifically pledged	
B		(2) Estimated surplus from assets specifically pledged	
		(3) Total Assets (i.e. total of items (1) and (2))	
		LIABILITIES	
C		(4) Preferential creditors	
D		(5) Debenture holders secured by a floating charge	
E		(6) Unsecured creditors	
		(7) Total Liabilities (i.e. total of items (4) to (6))	
		(8) Estimated Surplus / Deficiency * as regards Creditors (i.e. total assets as in item (3) less total liabilities as in item (7))	

ISSUED AND CALLED UP CAPITAL			
		(9) Preference shares issued as fully paid **i.e. shares at Le per share** **(only applicable to shares with nominal value)**	
		(10) Preference shares issued as partially paid **i.e. amount called up for shares at Le**	
		(11) Total of preference share capital fully paid and called up (i.e. total of items (9) and (10))	

** Delete whichever does not apply*

Business Registration Number

Related List		**Particulars**	**Amount**
List No.	**Type 'NIL' if no entries in the List**		**Le**
ISSUED AND CALLED UP CAPITAL (continued)			
		(12) Ordinary shares issued as fully paid **i.e. _____ shares at Le_____ per share** **(only applicable to shares with nominal value)**	
		(13) Ordinary shares issued as partially paid	

		i.e. amount called up for _____shares at Le_____ per share	
		(14) Total for ordinary share capital fully paid and called up **(i.e. total of items (12) and (13))**	
		(15) Any other types of shares or capital issued :- **(Please state particulars)**	
		(16) Total of items (11), (14) and (15)	
F		**(17) Estimated Surplus / Deficiency * as regards Members** **(i.e. item (8) less item (16), and as per List F)**	

NOTES

1 The above figures must be provided in accordance with the following notes (a) and (b) :-

Please tick the relevant box

(a)❑ There is no unpaid capital liable to be called up.

❑ The nominal amount of unpaid capital liable to be called up is Le _____estimated

to produce Le _____which is / is not * charged in favour of debenture holders.

(only applicable to shares with nominal value)

❑ **The amount of unpaid capital liable to be called up is Le_____ estimated to produce**

Le_____ which is / is not * charged in favour of debenture holders.

(only applicable to shares with no nominal value)

(b) The estimates are subject to costs of the receivership and to any surplus or deficiency on trading pending realization of the assets.

2 Please attach the above Lists with entries.

** Delete whichever does not apply*

Business Registration Number

List A -

Assets not specifically pledged

Where particulars of the assets are numerous, they should be stated in separate schedules.

Full statement and nature of assets	Details as per Schedule (annexed) to List A	Book Value Le	Estimated to produce Le

Cash at bank :- _____ _____ _____ _____ **Cash in hand** **Marketable securities** **Bills receivable** **Trade debtors Loans and advances** **Unpaid calls Stock in trade :-** _____ _____ _____ _____ **Work in progress :-** _____ _____ _____ _____			

_____ __ **Land and buildings** **Plant and machinery** **Furniture, fittings, utensils, etc.** **Patents, trade marks, etc.** **Investments other than marketable securities** **Other assets :-** _____ _____ __ _____ __ _____ __ **Total to be shown in item (1) under 'ASSETS' on Page 2**			

Business Registration Number

Schedule I to List A -

Bills of exchange, promissory notes, etc., available as assets

(consisting_____ of pages)

No.	Name of acceptor of bill or note	Address	Amount of bill or note	Date when due	Estimated to produce	Particulars of any property held as security for payment of bill or note

Schedule I Total						

Business Registration Number

Schedule II to List A

Trade debtors

(consisting of _____pages)

No.	Name	Address	Amount of debt	Reference in ledger or other record where particulars are to be found	Estimated to produce	Particulars of any securities held for debt

Schedule II Total						

Business Registration Number

Schedule III to List A

Unpaid calls

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(consisting of _____pages)

No.	No. in share register	Name of shareholder	Address	No. of shares held	Amount of call per share unpaid	Total amount due Le	Estimated to produce Le

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Schedule III Total							

Business Registration Number

List B

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Assets specifically pledged and creditors fully or partly secured

(not including debenture holders secured by a floating charge)

(consisting of _____pages)

The names of the secured creditors are to be shown against the assets on which their claims are secured, numbered consecutively, and arranged in alphabetical order as far as possible.

Particulars of assets specifically pledged as security	No.	Name of creditor	Address	Date when security given	Estimated value of security	Amount of debt	Date when contracted	Consideration	Balance of debt carried to List E as unsecured debt	Estimated surplus from security

Total of columns (i)/(ii)										
Total of balance of debt to be carried to List E as unsecured debt										
Total of estimated surplus from assets specifically pledged, to be shown in item (2) under 'ASSETS' on Page 2										

Business Registration Number

List C

Preferential creditors for rates, taxes, salaries, wages and otherwise

(consisting of _____pages)

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No.	Name of creditor	Address	Nature of claim	Period during which claim accrued due	Date when due	Amount of claim (i) Le	Amount payable in full as preferential debts (ii) Le	Balance not preferential carried to List E (i)-(ii) Le

Total of preferential debts, to be shown in item (4) under 'LIABILITIES' on page 2								
Total of balance not preferential, to be carried to List E								

Business Registration Number

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List D

Debenture holders secured by a floating charge

(consisting of _____pages)

No.	Name of holder	Address	Amount	Description of assets over which security extends

Total to be shown in item (5) under 'LIABILITIES' on Page 2				

Business Registration Number

List E

Unsecured creditors

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Particulars	Details as per Schedule/List (annexed)	Amount of debt Le

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Unsecured balance of claims of secured creditors (brought forward from List B0 Balance of claims of preferential creditors (brought forward from List C) Trade creditors Bills payable Sundry creditors Outstanding expenses Contingent liabilities Other liabilities :- (please state nature) _____	List B List C Schedule _____to List E Schedule _____to List E Schedule _____to List E Schedule _____to List E Schedule _____to List E Schedule _____to List E Schedule _____to List E Schedule _____to List E Schedule _____to List E Schedule _____to List E	

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	Schedule _____to List E	

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Total to be shown in item (6) under 'LIABILITIES' on page 2	

Business Registration Number

Schedule _____ to List E

Unsecured creditors

(consisting of _____pages)

No.	Name	Address	Amount of debt Le	Date when contacted	Consideration

Schedule total to be shown in List E					

Business Registration Number

List F

Deficiency or surplus account

The period covered by this account must commence on a date not less than three years before the appointment of the receiver or, if the company has not been incorporated for the whole of that period, the date of formation of the company, unless the receiver otherwise agrees.

	Details as per schedule (annexed) to List F	L e
Items contributing to deficiency (or reducing surplus)	Schedule_____	
(1) Excess (if any) of capital and liabilities over assets on the_____ day of_____ as shown by the balance sheet	Schedule_____	
(copy annexed)	Schedule_____	
(2) Net dividends and bonuses declared during the period from the_____ day of_____ to the date of the statement	Schedule_____	
(3) Net trading losses (after charging items shown in the note on page 2 of List F) for the period from the _____day of_____	Schedule_____	
to the date of the statement	Schedule_____	
(4) Losses other than trading losses or for which provision has been made in the books during the same period	Schedule_____	

(5) Estimated losses now written off for which provision has been made for the purpose of preparing the statement **(6) Other items contributing to deficiency or reducing surplus :-** _____ _____		
Total of items (1) to (6)		
Items reducing deficiency (or contributing to surplus) **(7) Excess (if any) of assets over capital and liabilities on the _____ day of _____as shown by the balance sheet** **(copy annexed)** **(8) Net trading profits (after charging items shown in the note on page 2 of** **List F) for the period from the_____ day of_____ to the date of the statement** **(9) Profits and income other than trading profits during the same period (10) Other items reducing deficiency or contributing to surplus :-**	Schedule___ _____ Schedule___ _____ Schedule___ _____ Schedule___ _____ Schedule___ _____	

_____ _____		
Total of items (7) to (10)		
Deficiency/Surplus as shown in item (17) on Page 3		

Business Registration Number

List F

Deficiency or surplus account

(page 2 of List F)

Note as to net trading profits and losses

Particulars of the items which have been included in arriving at the amount of net trading losses or profits shown

under items (3) and (8) respectively in this account (i.e. page 1 of List F) are:-

	Le

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Provisions for depreciation, renewals or diminution in value of fixed assets **Charges for Sierra Leone profits tax** **Interest on debentures and other fixed loans** **Payments to directors made by the company and required by law to be disclosed in the** **accounts** **Exceptional or non-recurring expenditure :- (Please provide details)** _____ _____	
Exceptional or non-recurring receipts :- (Please provide details) _____ _____	
Net total of the above items	

TWELFTH SCHEDULE

FEE SCHEDULE (Sections 20 and 298)

Companies

		CLG Fee(Le)	Small Company Fee (Le)	Private other than small Fee (Le)	Public Fee (Le)
a.	Name reservation	See B	25,000	25,000	25,000
b.	Name reservation for restricted words and GLG	250,000	250,000 where applicable	250,000 where applicable	250,000 where applicable
c.	Incorporation of Company Limited by Guarantee (this includes CTC of first incorporation documents without additional charge)	1,000,000	Not applicable	Not applicable	Not applicable
d.	**Incorporation of** **private/public company** **limited by shares** (this includes CTC of first incorporation documents without additional charge) Issued share capital of Le 1million or less	Not applicable	500,000	500,000	500,000

	Incorporation of **private/public company** **limited by shares** (this includes CTC and certified extracts without additional charge). Issued share capital above Le50million and up to Le25 billion	NA	250,000 for every Le50 million share capital or part thereof	250,000 for every Le50 million share capital or part thereof	250,000 for every Le50 million share capital or part thereof
	Incorporation of **private/public company** **limited by shares** (this includes CTC and certified extracts without additional charge). Issued share capital above Le25billion	Not applicable	375,000 for every Le50million share or part thereof	375,000 for every Le50million share or part thereof	375,000 for every Le50million share or part thereof
e.	Registration of increase in Issued share capital up to Le25 billion	Not applicable	250,000 for every Le50 million share capital or part thereof	250,000 for every Le50 million share capital or part thereof	250,000 for every Le50 million share capital or part thereof
g.	Change of name	1 million	500,000	1 million	2,500,000

h.	Registration of Charges	1,250,000 or 0.35% of the amount secured by the charge whichever is higher.	1,250,000 or 0.35% of the amount secured by the charge whichever is higher.	1,250,000 or 0.35% of the amount secured by the charge whichever is higher.	1,250,000 or 0.35% of the amount secured by the charge whichever is higher.
i.	Memorandum of Satisfaction/Deed of Release	1,250,000	1,250,000	1,250,000	1,250,000
l.	Annual Returns, other post incorporation and miscellaneous filings	250,000	250,000	250,000	250,000
m.	Status Report/ Letter of Good Standing	250,000	250,000	250,000	500,000
n.	Historical Search Report (Directors/Officers information)	500,000	500,000	500,000	1,000,000
o.	Historical Search Report (Shareholding information)	500,000	500,000	500,000	1,000,000

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p.	Historical Search Report (Particulars of Charges/Debentures/Memorandum of Satisfaction	500,000	500,000	500,000	1,000,000
q.	Historical Search Report (All information)	1,000,000	1,000,000	1,000,000	1,000,000
r.	Due diligence search (all information)	2,500,000	2,500,000	2,500,000	2,500,000
s.	Voluntary Striking off	2,500,000	1,250,000	2,500,000	5,000,000
t.	Same day post incorporation filing (in addition to filing fees)	1,500,000	1,000,000	1,500,000	2,500,000
u.	Relisting of company	2,500,000	1,250,000	2,500,000	5,000,000
v.	Restriction of director's residential address	1,250,000	1,250,000	1,250,000	2,500,000
w.	Extension of time to hold Annual General Meeting (AGM)	2,500,000	Not applicable	2,500,000	5,000,000
x.	Certified True Copy of documents/Extracts	250,000 each	250,000 each	250,000 each	250,000 each

	Foreign Companies	Fee (Le)
w.	Notice of Exemption of Foreign Companies	2,500,000
x.	Annual report of Foreign Companies	2,500,000

Limited Liability Partnerships (LLP)

		Fee (Le)
a.	Name Reservation	25,000
b.	Name Reservation for Restricted Words	250,000
c.	Incorporation and CTC of Registration Documents	1,000,000
d.	Change of name	500,000
e.	Registration of charges	1,250,000 or 0.35% of the amount secured by the charge whichever is higher
f.	Memorandum of Satisfaction/Deed of Release	1,250,000
g.	Annual Returns and other post incorporation and miscellaneous filings	250,000 each
h.	Status Report/Good Standing	250,000
i.	Voluntary Striking-off	1,250,000
j.	Same day post incorporation filing (in addition to filing fees)	1,500,000 per filing
k.	Relisting	2,500,000
l.	Restriction of partner’s residential address	1,500,000
m.	Certified True Copy of documents/extracts	250,000 each

Business Names

		Fee (Le)
a.	Name Reservation	25,000
b.	Name Reservation for Restricted Words	250,000
c.	Registration and CTC of Registration Documents	500,000
d.	Change of name	500,000
e.	Annual Returns and other post registration and miscellaneous filings	1,500,000 each
f.	Status Report/Letter of Good Standing	250,000
g.	Voluntary Striking-off	500,000
h.	Same day post incorporation filing (in addition to filing fees)	500,000
i.	Relisting	1,250,000
j.	Restriction of Proprietor's/Partner's Residential address	1,250,000
k.	Certified True Copy of documents/extract	250,000 each
l.	Application for cessation	500,000

Incorporated Trustees

		Fee (Le)

a.	Reservation of Name	250,000
b.	Registration and CTC of Registration Documents	1,750,000
c.	Change of name	1,250,000
d.	Annual Returns and other post incorporation and miscellaneous filings	250,000 each
e.	Status Report/Letter of Good Standing	250,000
f.	Historical Search Report (for companies that are ten years old or more)	500,000
g.	Same day post incorporation filing (in addition to filing fees)	1,250,000
h.	Restriction of Trustee's residential address	1,250,000
i.	Certified True Copy of documents/extract	250,000 each
j.	Notice of Dissolution	1,000,000

Annual Registration of Agents/Professionals/Insolvency Practitioners

		Fee (Le)
a.	Registration of Accredited Agents/Professionals (one-off)	500,000
b.	Registration of Insolvency Practitioners (one-off)	2,500,000

Value Added Service

		Fee (Le)
	SMS notification alert for every transaction carried out by an entity to all officers of the Entity (Annual Subscription)	250,000

Website Search

Visitors to the Commission's public search page can get basic information free of charge. The following items have a fee:

		Fee (Le)
b.	Full electronic search per entity (view only)	50,000
c.	Persons with Significant Control (view only)	free

Appointments

		Fee (Le)
a.	Personal appointment	Free
b.	Premium Service/VIP Lounge Facilities (Same Day Service Single Transaction)	2,500,000
c.	Premium Service/VIP Lounge Facilities (Same Day Multiple Applications per entity)	50,000,000

Bulk Products

Access to information not on the Public Register		Fee (Le)
a.	Application by Specified Public Authority or Credit Reference Agency per entity	1,250,000

b.	Individual request by Specified Public Authority or Credit Reference Agency (to access information) per entity	50,000

DVD Directories

		Fee (Le)
a.	Company Directory Exportable one-off (name, address, registration number and date of registration, particulars of directors and other post incorporation information)	
b.	Company Directory Exportable Annual Subscription (name, address, registration number and date of registration, particulars of directors and other post incorporation information)	
c.	Persons with Significant Control (PSC) information: Exportable for Specified Public Authority and other approved persons/bodies	
d.	Company Directory: data file on DVD, by email or by file transfer protocol (sFTP) Annual Subscription (name, address, registration number and date of registration, particulars of directors and other post incorporation information)	
e.	Change of Name/dissolved/removed index (one-off)	
f.	Change of Name/dissolved/removed index: exportable Annual Subscription	

g.	Change of Name/dissolved/removed index: data file on DVD, by email or by FTP Annual Subscription	
h.	Change of PSC/removed index: data file on DVD, by email or by FTP for Public Specified Public Authority and other Approved Persons/Bodies	
i.	Notwithstanding the foregoing the Commission may issue information to any Investigation Agency or other approved Public Authority, Organization or Individual gratis.	

THIRTEENTH SCHEDULE

MICELLANEOUS FORMS

Statement of Compliance

Shareholder Register

Board of Directors

Statement of Compliance

Statement of compliance		
I, the authorized person, confirms that the requirements of the Companies and Business Registration Act2026 as to xx have been complied with.		
Authentication		
Name		This form is authorised by a Director, Secretary or any authorised officer of the company.
Description		

Presented for filing by:

Name			
Address	Street		
	City/Town/Village		
	Local Government		
	Postal Code		
	State		
	Country		
Phone Number			
Email		Accreditation Number (where applicable)	
Signature		Date	

NOTE:

The Companies and Business Registration Act, 2026 Section 729 provides:

(1) Any person who, with respect to a document required by or for the purpose of this Act–

(a) makes, or authorises the making of, a statement that is false or misleading in a material particular knowing it to be false or misleading;

(b) omits, or authorises the omission from it, any matter knowing that the omission makes the document false or misleading in a material particular,

commits an offence, and is liable on conviction to a fine not exceeding Le8,000,000 or to a term of imprisonment not exceeding 3 years or to both the fine and imprisonment.

Shareholder Register

What to include in a shareholder register	
Shareholder's name	Price per share
Shareholder's address	Amount paid up
Share certificate number	Amount outstanding
Types of shares	Acquisition date
Number of shares	Annulment date

Board of Directors

Register of Directors

Directors	Details		Date Appointed	Date Terminated
1.	Country of residence Nationality Date of birth Business occupation Service address			

2.	Country of residence Nationality Date of birth Business occupation Service address			
3.	Country of residence Nationality Date of birth Business occupation Service address			
4.	Country of residence Nationality Date of birth Business occupation Service address			

5.	Country of residence Nationality Date of birth Business occupation Service address			

FOURTEENTH SCHEDULE (Section 714)

General Provisions Relating to Fines, Penalties and Sentencing)

Penalty Level	Description	Maximum Fine — Individual	Maximum Fine — Body Corporate	Maximum Imprisonment
Level 1	Most serious offences	Le 500,000,000	Le 1,500,000,000	10 years
Level 2	Serious offences	Le 200,000,000	Le 600,000,000	7 years
Level 3	Significant offences	Le 100,000,000	Le 300,000,000	5 years
Level 4	Intermediate offences	Le 50,000,000	Le 150,000,000	3 years

Level 5	Minor criminal offences	Le 20,000,000	Le 60,000,000	1 year

(1) The following offences are assigned to Level 1 (most serious), being offences involving fraud, dishonesty, deception, or intentional financial crime—

(a) carrying on business with intent to defraud creditors or for a fraudulent purpose (section 93);

(b) falsely and deceitfully personating a member of a company or debenture holder (section 166);

(c) fraudulent destruction, mutilation, alteration, or falsification of books, papers, or securities of a company (sections 625 and 704);

(d) fraud by an officer of a company in the course of or after winding up, including making gifts or transfers in fraud of creditors or inducing credit by false pretences (section 626);

(e) fraudulent misapplication or concealment of property of a company by a director, employee, or shareholder (section 702);

(f) making, authorising, or furnishing a statement or document that is false or misleading in a material particular in connection with the affairs of a company, knowing it to be false (section 703(1));

(g) falsification or destruction of any register, book, or electronic device with intent to defraud or deceive (section 704);

(h) any offence under the provisions of Part XXI (Dealings in Companies' Securities) involving insider dealing, market manipulation, or unlawful disclosure of inside information.

(2) Offences at Level 1 are triable on indictment only and carry a maximum term of imprisonment of ten years, a maximum fine of Le 500,000,000 in the case of an individual, and a maximum fine of Le 1,500,000,000 in the case of a body corporate.

(3) The following offences are assigned to Level 2 (serious), being offences involving deliberate breach of duty, dishonest conduct, or significant harm to the public interest—

(a) acting as a liquidator while disqualified (section 631);

(b) corruption in the appointment of a liquidator (section 632);

(c) an undischarged bankrupt acting as a director or directly or indirectly taking part in the management of a company (section 348);

(d) making a knowingly false statement in connection with the formation of a limited liability partnership (section 83);

(e) making a knowingly false statement in connection with the cessation of a business name or the particulars of a business name (sections 103 and 104);

(f) making a false statement, or a statement recklessly made that is false, in connection with statutory shareholding disclosure, substantial interest notifications, or the register of members (sections 188 and 189);

(g) making a false statement in connection with an investigation by an inspector (section 421);

(h) fraud by an auditor resulting in loss to the company (section 479);

(i) making a wilful false statement on oath in any affidavit or examination under this Act, being perjury (section 729(4));

(j) fraudulent disposition of property by a director within two months before an unsatisfied judgment (section 626).

(4) Offences at Level 2 are triable either on indictment or summarily and carry a maximum term of imprisonment of seven years on indictment and twelve months on summary conviction.

(5) The following offences are assigned to Level 3 (significant), being offences involving deliberate non-compliance, misrepresentation, or conduct likely to harm third parties—

(a) a company or its members carrying on business with more than the permitted number of members after fourteen days in contravention of section 41;

(b) improper use of the word "Limited" or "Ltd" or trading under a prohibited name (sections 62 and 63);

(c) a limited liability partnership contravening the requirements as to its name (sections 114 and 115);

(d) misrepresentation or misleading conduct in connection with financial assistance for the acquisition of shares (section 254);

(e) failure by a director who knows or ought to know that there is no reasonable prospect of avoiding insolvency to take reasonable steps to minimise loss to creditors (section 654 — wrongful trading), where the Court makes a declaration of personal liability;

(f) making a statement to an auditor that the officer knows to be false or misleading (section 479);

(g) contravention by a valuer of the duty to act honestly and with due care in providing a valuation report, where the valuation was knowingly false (section 236);

(h) a person who, not being duly authorised, holds out, or allows himself or herself to be held out, as a director of a company (section 340);

(i) unlawful interference with electronic business registration systems, records, or Board databases (section 155);

(j) a director making a declaration of solvency without having reasonable grounds for the opinion expressed therein (section 579).

(6) Offences at Level 3 are triable either on indictment or summarily and carry a maximum term of imprisonment of five years on indictment and twelve months on summary conviction.

(7) The following offences are assigned to Level 4 (intermediate), being offences of deliberate or reckless non-compliance with significant regulatory obligations—

(a) failure to comply with any requirement of section 198 (significant control over a limited liability partnership) in a manner that is deliberate or reckless, including making a statement known to be false in purported compliance;

(b) failure by officers to keep proper accounting records throughout the period of two years preceding the commencement of winding up, unless the officer shows that the default was excusable (section 627);

(c) a person acting as a receiver who is disqualified from so acting (section 504);

(d) failure to include information as to the company being in receivership, administration, or winding up in all invoices, orders, and business letters as required by this Act;

(e) fraudulent preference or fraudulent conveyance of company property within the prescribed period before winding up, where a person has been knowingly a party to the transaction (sections 609–610);

(f) contravention by a director of restrictions on loans to directors and connected persons (section 360);

(g) a promoter or director making an untrue statement in a prospectus (sections 703 and Part XXI);

(h) failure to give notice of resignation as auditor where required (section 472);

(i) a person who, after conviction for a disqualification offence, continues to act as a director (section 349).

(8) Offences at Level 4 are triable either on indictment or summarily, carry a maximum term of imprisonment of three years on indictment, and twelve months on summary conviction.

(9) The following offences are assigned to Level 5 (minor criminal offences), being offences of non-compliance with registration, filing, or disclosure requirements that involve an element of deliberate or reckless conduct—

(a) carrying on business under a registered business name in contravention of a direction by the Board or after the name has been struck off (sections 102–105);

(b) failure to comply with the requirements of the Act as to disclosure of significant control over a limited liability partnership under section 198 where the default is not deliberate or reckless (but see subsection (3)(e) for deliberate or reckless defaults);

(c) failure to comply with section 41 (associations of more than 20 members) after the expiry of the fourteen-day grace period;

(d) failure to comply with any requirement of the Act as to the keeping or maintenance of any register required by this Act, where the default is persistent;

(e) default by any person in complying with any order or direction of the Court or of the Board made under this Act;

(f) any other offence under this Act for which no penalty level is otherwise specified.

(10) Offences at Level 5 are triable summarily only and carry a maximum term of imprisonment of twelve months.

Penalties

		Daily default penalty (Le)	**Other penalties (one-off) (Le)**
a.	Small company	12,500	250,000
b.	Company Private other than small	25,000	500,000
c.	Company limited by guarantee	25,000	500,000

d.	Public Company	50,000	1,250,000
e.	Limited Liability Partnership (LLP)	25,000	500,000
f.	Limited Partnership (LP)	25,000	500,000
g.	Business Names	7,500	250,000
h.	Incorporated Trustees	25,000	500,000