

- (e) The future prospects of the company, with particular reference to the continuance in the normal course of a satisfactory quantum of butterfat.
- (f) The ability of the company to meet the cost of resumption and its effect on the remaining suppliers.
- (g) Whether the applicant for resumption has been a disloyal supplier or whether the withdrawal of his supply was detrimental to the interests of the company.
- (h) Any other matters whatsoever that the Tribunal considers have a bearing on the fair value of the shares.
- (i) Whether, owing to the imminence of the failure of the company, any order should be made.

(6) Upon any order by such Tribunal as to resumption or surrender as above, the sums fixed by the Tribunal to be paid by the dairy company to the holders of the shares the subject-matter of the application to be deemed to be unsecured debts due by that company to those holders and to be immediately payable unless the Tribunal otherwise directs—the company's share register to be thereupon amended accordingly.

(7) Where any co-operative dairy company has issued shares to separate groups or sections of its suppliers, resumption or surrender of any shares issued in respect of any such group or section may, if the Tribunal thinks fit, be determined in all respects as if such group or section were a separate and distinct co-operative dairy company.

(8) That the present provisions of the Act as to surrender or resumption of shares be retained so as to permit companies to continue the present system within the limitations therein set out.

(9) That, in order that the creditors of companies might be protected, all rights to demand surrender or resumption of shares within the provisions above set out shall be contingent upon the approval of the Tribunal to surrenders or resumptions in excess of the 20-per-cent. limitation at present imposed by the Act. The company to make immediate application for such consent, following upon an otherwise lawful demand by a shareholder for resumption. Upon failure by a company to take such action within two months of such a demand, the holder of the shares may make application direct to the Tribunal.

(b) ARTICLES OF ASSOCIATION

That the Dairy Industry Act, 1908, be amended to provide—

(1) For the inclusion in a Schedule thereto of a table of Articles of Association in the form set out in Appendix III hereof.

(2) That the only members of a co-operative dairy company who shall be entitled to vote at any meeting upon any show of hands or poll or ballot of the co-operative dairy company shall be the *bonu fide* members thereof as defined in paragraph 93 hereof.

(3) That the Articles of Association of any co-operative dairy company may be altered or added to by special resolution—that is to say, by a three-fourths vote of that company. Any such alteration or addition is to be as valid as if originally contained in the Articles and to be binding upon all members of the company, notwithstanding that there may be created or evidenced by the Articles so altered or added to a contractual obligation as between that company and any of its members. Nothing herein, however, shall require any member of that company to underwrite at any time a greater share responsibility in respect of a similar supply of milk, cream, or butterfat to the company than his existing obligation—*i.e.*, the share standard when he joined the company—plus a 25-per-cent. increase thereon, and nothing herein shall vary any express contract (not created or evidenced by the Articles) entered into between a company and any of its shareholders.