



## COMPANIES (AMENDMENT) ACT 2001

*Act 24 of 2001*

### AN ACT TO AMEND THE COMPANIES ACT 1995

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I assent,  
TAUFA'AHAU TUPOU IV,  
21st November, 2001

[24th October, 2001]

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**BE IT ENACTED** by the King and Legislative Assembly of Tonga in the Legislature of the Kingdom as follows:

1.
  - (1) This Act may be cited as the Companies (Amendment) Act 2001.
  - (2) The Companies Act 1995 is in this Act referred to as the Principal Act.
2. Section 2(1) of the Principal Act is amended by repealing “adequate liquidity” and its definition.
3. Section 14 of the Principal Act is repealed.
4. Section 163(1) of the Principal Act is repealed.

5. Section 164 of the Principal Act is amended by inserting a comma after “secretary” in line 2 and the rest is replaced with the following words “and certify that he is not disqualified from holding office as a company secretary”.
6. Section 168(1) of the Principal Act is amended by;
  - (1) repealing paragraph (c);
  - (2) paragraphs (d), (e) and (f) become paragraphs (c), (d) and (e) respectively; and
  - (3) the words “becomes disqualified from being” is replaced with “is qualified to be” in the new paragraph (c).
7. Section 205(3)(b) of the Principal Act is repealed and replaced with the following —
  - “(3)
    - (b) in which the assets or shares in aggregate are valued at \$500,000 or more and are held by –
      - (i) the company;
      - (ii) another company or body corporate incorporated outside Tonga;
      - (iii) a person not ordinarily resident in Tonga.”
8. Section 208(1) of the Principal Act is repealed and replaced with the following —
  - “(1) A person shall not be appointed or act as auditor of a company unless the person is –
    - (a) a member of the Tonga Society of Accountants who holds a certificate of qualification for the purpose, and is approved in writing by the Society;
    - (b) with the approval of Cabinet, an Officer of the Audit Department authorised in writing by the Auditor General; or
    - (c) qualified for the purpose and is a member, fellow or associate of an association of accountants constituted outside Tonga.”
9. A new section 368A is inserted in the Principal Act immediately following section 368 as follows —

**“368A Registration of mortgages and charges.**

Where a company enters into an agreement whereby all or any portion of the assets of the company are subject to any mortgage or charge the company shall register a copy of that agreement with the Registrar as prescribed by Regulations.”

10. Section 369 of the Principal Act is amended by;

(1) replacing subsection (1) (paragraphs (a) to (c) inclusive) with the following new subsection (1):

“(1) A person may, on payment of any fees that are prescribed, inspect information contained in the Tongan register or overseas register during the hours when the office of the Registrar is open to the public for the transaction of business on a working day.”

(2) Inserting the following provision after subsection (2)(e):

“Provided that the provision of a matter required under (c), (d) and (e) shall not be given without the written authority of a director or a shareholder of the company.”

11.

(1) Section 378(2)(a) of the Principal Act is repealed.

(2) Clause 5 and clause 92(1) of the First schedule of the Principal Act are repealed.

12. Clause 7(1)(c) of the Ninth Schedule of the Principal Act is repealed and replaced with the following —

“(c) in which the total assets or shares in aggregate owned by the company are valued at \$500,000 or more.”

Passed by the Legislative Assembly this 24 day of October, 2001.