CHAPTER lx.

An Act to authorise the raising of new capital by the Ryde and Newport Railway Company and the Cowes and Newport Railway Company; and for other purposes. A.D. 1875.

[14th June 1875.]

WHEREAS the Ryde and Newport Railway Company was incorporated by "The Ryde and Newport Railway Act, 1872," and is about to open for traffic the Ryde and Newport Railway, in the Isle of Wight, forming at the town of Newport a junction with the Cowes and Newport Railway, and it is desirable that the two Companies should be authorised to raise new capital for the purposes of their authorised railways and works, and also for the purpose of enabling them to make and construct such joint station and new works at Newport, in the Isle of Wight, as are directed to be constructed in and by two several awards of Samuel Swarbrick, the arbitrator appointed by the Board of Trade, in pursuance of the forty-third and forty-fourth sections of "The Ryde and Newport Railway Act, 1872," and the twenty-eighth and twenty-ninth sections of "The Isle of Wight (Newport Junction) Railway Act, 1872," and dated respectively the seventh day of November one thousand eight hundred and seventy-three: 35 & 36 Vict. c. cxxxv.

And whereas it is desirable that the Ryde and Newport Railway Company should be authorised to convert their existing share capital into preferred and deferred shares:

And whereas the objects aforesaid cannot be effected without the authority of Parliament:

May it therefore please Your Majesty that it may be enacted; and be it enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

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Short title.

1. This Act may be cited for all purposes as "The Ryde and Newport and Cowes and Newport Railways Act, 1875."

Provisions of certain general Acts incorporated.

2. The provisions of "The Companies Clauses Consolidation Act, 1845," with respect to the following matters, viz.,

The distribution of the capital of the Company into shares;

The transfer or transmission of shares;

The payment of subscriptions and the means of enforcing the payment of calls;

The forfeiture of shares for nonpayment of calls;

The remedies of creditors of the Company against the shareholders;

The borrowing of money by the Company on mortgage or bond;

The conversion of the borrowed money into capital;

The consolidation of the shares into stock;

The general meetings of the Company and the exercise of the right of voting by the shareholders;

The making of dividends;

The giving of notices; and

The provision to be made for affording access to the special Act by all parties interested;

and Part I. (relating to cancellation and surrender of shares), and Part II. (relating to additional capital), and Part III. (relating to debenture stock) of "The Companies Clauses Act, 1863," are (except where expressly varied by this Act) incorporated with and form part of this Act.

Interpretation of terms.

3. In this Act the several words and expressions to which meanings are assigned by the Acts wholly or partially incorporated herewith have the same respective meanings, unless there be something in the subject or context repugnant to such construction; the expression "the Ryde Railway" means the railway of the Ryde and Newport Railway Company as now authorised; the expression "the Cowes Railway" means the railway of the Cowes and Newport Railway Company as now authorised; the expression "the two Companies" means the Ryde and Newport and the Cowes and Newport Railway Companies; and for the purposes of this Act the expression "superior courts," or "court of competent jurisdiction," or any other like expression in this Act or any Act wholly or partially incorporated herewith, shall be read or construed as if the debt or demand with respect to which the expression is used were a simple contract debt, and not a debt or demand created by statute.

The two Companies may apply their funds and raise additional capital.

4. The two Companies respectively may from time to time, subject to the provisions of Part II. of "The Companies Clauses Act, 1863," respectively raise, in addition to the sums of money which they respectively are already authorised to raise, any additional sum or sums not exceeding in the whole by the Ryde Company thirty thousand pounds, and by the Cowes Company ten thousand pounds, by the issue, at the option of the Company exercising this power, of new ordinary shares or stock or of preference shares or stock, or wholly or partially by any one or more of those methods respectively.

Shares not to issue until one fifth part paid up.

5. Neither of the two Companies shall issue any share created under the authority of this Act of less nominal value than ten pounds, nor shall any such share vest in the person accepting the same, unless and until a sum not being less than one fifth part of the amount of such share shall have been paid in respect thereof.

New capital to form part of original capital of Company creating it.

6. The capital so created in new shares or stock shall form part of the general capital of the Company creating the same.

Power to Ryde Company to divide shares.

7. Subject to the provisions of this Act the Ryde Company, with the authority of three fourths of the votes of the shareholders present in person or by proxy at a general meeting of the Company specially convened for the purpose, may from time to time divide any share in their capital into half shares, of which one shall be called "preferred half share," and the other shall be called "deferred half share;" but the Company shall not so divide any share under the authority of this Act unless and until not less than sixty per centum upon such share has been paid up, and upon every such division fifty per centum upon the entire share shall be carried to the credit of the deferred half share (being the whole amount payable thereon), and the residue to the credit of the preferred half share.

Dividends on half shares.

8. The dividend which would from time to time be payable on any divided share if the same had continued an entire share shall be applied in payment of dividends on the two half shares in manner following (that is to say), first, in payment of dividend, after such rate not exceeding six per centum per annum as shall be determined once for all at a general meeting of the Company specially convened for the purpose, on the amount for the time being paid up on the preferred half share, and the remainder, if any, in payment of dividend on the deferred half share; and the Company shall not pay any greater amount of dividend on the two

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half shares than would have from time to time been payable on the entire share if the same had not been divided.

Dividend on preferred shares to be paid out of the profits of the year only.

9. Each preferred half share shall be entitled out of the profits of each year to the dividend which may have been attached to it by the Company as aforesaid in priority to the deferred half share bearing the same number; but if in any year ending the thirty-first day of December there shall not be profits available for the payment of the full amount of dividend on any preferred half share for that year, no part of the deficiency shall be made good out of the profits of any subsequent year, or out of any other funds of the Company.

Half shares to be registered, and certificates issued.

10. Forthwith after the creation of any half shares the same shall be registered by the directors, and each half share shall bear the same number as the number of the entire share certificate in respect of which it was issued, and the directors shall issue certificates of the half shares accordingly, and shall cause an entry to be made in the register of the entire shares of the conversion thereof; but the directors shall not be bound to issue a certificate of any half share until the certificate of the existing entire share be delivered to them to be cancelled, unless it be shown to their satisfaction that such certificate is destroyed or lost, and on any certificate being so delivered up the directors shall cancel it.

Terms of issue to be stated in certificates.

11. The terms and conditions on which any preferred half share or deferred half share created under this Act is issued shall be stated on the certificate of each such half share.

Forfeiture of preferred shares.

12. The provisions of "The Companies Clauses Consolidation Act, 1845," with respect to the forfeiture of shares for nonpayment of calls, shall apply to all preferred half shares created under the authority of this Act, and every such preferred half share shall for that purpose be considered an entire share, distinct from the corresponding deferred half share; and until any forfeited preferred half share shall be sold by the directors, all dividends which would be payable thereon if the same had not been forfeited shall be applied in or towards payment of any expenses attending the declaration of forfeiture thereof, and of the arrears of calls for the time being due thereon, with interest.

Preferred shares not to be cancelled or surrendered.

13. No preferred half share created under the authority of this Act shall be cancelled or be surrendered to the Company issuing the same.

Half shares to be half shares in capital.

14. The several half shares under this Act shall be half shares in the capital of the Company, and every two half shares (whether

preferred or deferred, or one of each) held by the same person shall confer such right of voting at meetings of the Company, and (subject to the provisions herein-before contained) shall confer and have all such other rights, qualifications, privileges, liabilities, and incidents as attach and are incident to an entire share.

Power to borrow on mortgage.

15. The two Companies respectively may from time to time borrow on mortgage any sums not exceeding in the whole by the Ryde Company ten thousand pounds, and by the Cowes Company three thousand three hundred pounds, but no part thereof shall be borrowed until shares for so much of the said capital as is to be raised by shares are issued and accepted by the Company desiring so to borrow, and one half of such capital is paid up, and the Company seeking to borrow have proved to the justice who is to certify under the fortieth section of "The Companies Clauses Consolidation Act, 1845," before he certifies, that shares for the whole of such capital have been issued and accepted, and that one half of such capital has been paid up, and that not less than one half part of the amount of each separate share in such capital has been paid on account thereof before or at the time of the issue or acceptance thereof, and until stock for one half of so much of the additional capital as is to be raised by means of stock is fully paid up, and the Company seeking to borrow have proved to such justice as aforesaid, before he so certifies, that such shares or stock, as the case may be, were issued bonâ fide, and are held by the persons or corporations to whom the same were issued, or their executors, administrators, successors, or assigns, and also if the said capital is raised by shares, that such persons or corporations, their executors, administrators, successors, or assigns, are legally liable for the same; and upon production to such justice of the books of the Company seeking to borrow, and of any such other evidence as he shall think sufficient, he shall grant a certificate that the proof aforesaid has been given, which shall be sufficient evidence thereof.

Arrears may be enforced by appointment of a receiver.

16. The provisions of all former Acts relating to the two Companies, or either of them, by which the mortgagees of the two Companies, or either of them, are empowered to enforce payment of the interest or principal, or principal and interest, due on their mortgages by the appointment of a receiver, are hereby repealed, and any of the mortgagees of either of the two Companies may enforce payment of arrears of interest or principal, or principal and interest, due on their mortgages by the appointment of a receiver; and in order to authorise the appointment of a receiver in respect of principal, the amount of principal owing from the

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Company in default to the mortgagees by whom the application for a receiver is made shall not be less than one thousand pounds in the whole.

Existing mortgages to have priority.

17. All mortgages granted by either of the two Companies, in pursuance of the powers of any Act of Parliament before the passing of this Act, and subsisting at the passing thereof, shall, during the continuance of such mortgages, have priority over any mortgages granted by either of the two Companies by virtue of this Act; but nothing in this section contained shall affect any priority of the interest of any debenture stock at any time created and issued by either of the two Companies.

Debenture stock.

18. Either of the two Companies may create and issue debenture stock, subject to the provisions of Part III. of "The Companies Clauses Act, 1863;" but, notwithstanding anything therein contained, the interest of all debenture stock at any time after the passing of this Act created and issued by either of the Companies shall rank pari passu with the interest of all mortgages at any time after the passing of this Act granted by that Company, and shall have priority over all principal moneys secured by mortgages granted by that Company after the passing of this Act.

Interest not to be paid on calls paid up.

19. Neither of the two Companies shall, out of any money by this Act authorised to be raised, pay interest or dividend to any shareholder on the amount of the calls made in respect of the shares held by him; but nothing in this Act shall prevent either Company from paying to any shareholder such interest on money advanced by him beyond the amount of the calls actually made as is in conformity with "The Companies Clauses Consolidation Act, 1845."

Deposits for future Bills not to be paid out of capital.

20. Neither Company shall, out of any money by this Act authorised to be raised, pay or deposit any sum which, by any standing order of either House of Parliament now or hereafter in force, may be required to be deposited in respect of any application to Parliament for the purpose of obtaining an Act authorising either Company to construct any other railway, or to execute any other work or undertaking.

Railways not exempt from provisions of present and future general Acts.

21. Nothing in this Act contained shall exempt the railways from the provisions of any general Act relating to railways, or the better or more impartial audit of the accounts of railway companies, now in force or which may hereafter pass during this or any future session of Parliament, or from any future revision or alteration, under the authority of Parliament, of the maximum rates of fares and charges, or of the rates for small parcels.

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Expenses of Act.

22. All costs, charges, and expenses of and incident to the preparing for, obtaining, and passing of this Act, or otherwise in relation thereto, shall be paid by the two Companies in such proportion as they may mutually agree.

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