CHAPTER lxxxix.

An Act to make provision with reference to the Arrears of Dividend on the Preference Shares in the Capital of the Buenos Ayres and Ensenada Port Railway Company Limited; and for other purposes. [3rd July 1884.] A.D. 1884.

WHEREAS in the year one thousand eight hundred and seventy-two certain persons formed themselves into a company under the name of the Buenos Ayres and Ensenada Port Railway Company Limited (in this Act referred to as "the Company") for the purpose of acquiring completing maintaining and working a railway from Buenos Ayres to Ensenada and other places in the province of Buenos Ayres in the Argentine Republic and for other purposes connected therewith and such Company was duly registered under the Companies Acts 1862 and 1867:

And whereas by the memorandum and articles of association of the Company the capital of the Company is fixed at seven hundred thousand pounds divided into seventy thousand shares of ten pounds each all fully paid up of which shares thirty-five thousand are ordinary shares and thirty-five thousand are preference shares entitled to a preferential dividend of seven pounds per centum per annum and to participate equally with the ordinary shares in all yearly divisible net profits of the Company which shall remain after payment of a dividend of seven pounds per centum per annum upon the preference and ordinary shares for the time being of the Company: and by the said articles of association it is further provided that any deficiency in respect of preferential dividend in any year shall be carried forward and charged upon the divisible net profits of the succeeding year or years until paid:

And whereas there are arrears of dividend upon the said thirty-five thousand preference shares accrued prior to the first day of January one thousand eight hundred and eighty-four amounting to seventy thousand eight hundred and seventy-five pounds:

And whereas under the said articles of association in the event of the sale of the Company's railway the purchase money would be

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applied first in paying to the preference shareholders the amount paid up on the preference shares and then in paying to the ordinary shareholders the amount paid up on the ordinary shares and the balance if any would be divided amongst all the shareholders in proportion to the amount of their respective holdings:

And whereas the divisible net profits of the Company are now more than sufficient to pay the dividend at the rate of seven per centum upon the preference shares but no part thereof can be applied in paying dividend upon the ordinary shares until the whole of the arrears of dividend upon the preference shares have been discharged:

And whereas the position and credit of the Company would be greatly improved if the said arrears were discharged and the Company were enabled to pay dividend upon both classes of their shares and it is expedient that provision be made for discharging the said arrears in the manner herein-after expressed and that the articles of association of the Company with reference to the application of the purchase money in the event of the sale of the Company's railway should be amended as herein-after provided:

And whereas the objects of this Act 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 (that is to say):—

Short title.

1. This Act may be cited for all purposes as the Buenos Ayres and Ensenada Port Railway Company's Act 1884.

Power to agree for increase of dividend on preference shares to 8*l.* per centum instead of 7*l.* per centum.

2. Any holder of preference shares may at any time after the passing of this Act agree with the Company for the extinguishment of all arrears of dividend upon his said shares accrued due prior to the first day of January one thousand eight hundred and eighty-four in consideration of the payment as from that date of a preferential dividend on those shares at the rate of eight pounds per centum per annum instead of at the rate of seven pounds per centum per annum together with the right to participate pro rata with the ordinary shares in all yearly divisible net profits of the Company which shall remain after payment of dividends at the rate of eight pounds per centum per annum upon the preference shares entitled to that rate of dividend and of seven pounds per centum per annum upon the remaining preference shares with such further proportion (if any) of the divisible net profits of the Company as the holders of the last-mentioned shares would have been entitled to if this Act had not been passed and of eight pounds per centum per annum

upon the ordinary shares: Provided that in case any dividend shall have been paid on any of the said shares in respect of which the arrears of dividend are proposed to be extinguished in excess of seven pounds per centum per annum for any period after the first day of January one thousand eight hundred and eighty-four such excess shall be repaid by the holder of such shares to the Company together with interest thereon at the rate of five pounds per centum per annum from the date of payment of such dividend.

Any deficiency in any year in respect of the said preferential dividend of eight pounds per centum per annum shall until paid be carried forward and charged upon the divisible net profits of the succeeding year or years in priority to the payment of any dividend upon the ordinary shares.

Cancelling of arrears of dividend on preference shares.

3. Upon any agreement being made with the Company by any holder of preference shares under the last preceding section of this Act all arrears of dividend accrued prior to the first day of January one thousand eight hundred and eighty-four upon the preference shares comprised in such agreement shall be and are hereby cancelled and extinguished.

Any sum which but for any agreement made under the provisions of this Act would have been payable to a holder of preference shares in respect of arrears of dividend on the shares comprised in such agreement shall subject to the provisions of this Act be applied towards the payment of dividend on the ordinary shares.

Trustees, &c may agree.

4. Any trustee executor or administrator being a holder in that capacity of preference shares is hereby empowered to extinguish the right to arrears of dividend on such shares under the provisions of this Act and shall not be liable for a breach of trust in respect of any such extinguishment but this section shall not apply in the case of preference shares to the beneficial interest in which two or more persons are successively entitled unless the tenant for life or other person for the time being entitled to the income of the shares consent to such extinguishment or the sanction of the Chancery Division of the High Court of Justice be given thereto.

As to application of purchase money in the event of a sale.

5. In the event of a sale or transfer of the railway of the Company the purchase money to be received by the Company shall after payment of all debts and liabilities of the Company be applied as follows (that is to say):—

(A) There shall be paid to and divided amongst the respective holders of the preference shares in respect of which the arrears of dividend have not been extinguished under the provisions of this Act such proportion of the said purchase money as would have been payable to and divisible amongst them if this Act had not been passed;

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(b) There shall be paid to and divided amongst the respective holders of the preference shares in respect of which the arrears of dividend have been extinguished as aforesaid such proportion of eight-fifteenths of such purchase money as the number of those preference shares shall bear to the total number of the preference shares or if such proportion be not sufficient to pay to the holders of the preference shares in respect of which the arrears of dividend have been so extinguished the full amount of ten pounds per share such larger proportion as may be necessary to make up that sum;

(c) The residue shall be paid to and divided amongst the holders of the ordinary shares in proportion to their respective holdings.

Saving the rights of preference shareholders not agreeing to extinguish arrears of dividend.

6. Nothing in this Act contained shall lessen prejudice or interfere with the rights powers privileges or interests of the holders of preference shares not comprised in any agreement under the provisions of this Act for the extinguishment of the arrears of dividend thereon.

Reserving Company's powers under general Acts.

7. The provisions contained in this Act shall form part of the regulations of the Company which shall be read subject to and in accordance with this Act but nothing herein contained shall be deemed to prevent the Company from modifying or altering their memorandum or articles of association and other regulations in accordance with the provisions of the Companies Acts 1862 to 1883 or any statutory modification thereof.

Act to be registered.

8. The Company shall forward to the registrar of joint stock companies a printed copy of this Act and it shall be recorded by him and if such copy is not so forwarded within three months from the passing of this Act the Company shall incur a penalty not exceeding two pounds for every day after the expiration of those three months during which the copy is omitted to be forwarded and every director and manager of the Company who knowingly and wilfully authorises or permits such default shall incur the like penalty and every penalty under this section shall be recoverable summarily.

Costs of Act

9. 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 Company..

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