CHAPTER xxxi.

An Act for the conversion of the existing Preference Stock of the Buenos Ayres and Ensenada Port Railway Company Limited and for other purposes. A.D. 1896.

[2nd July 1896.]

WHEREAS the Buenos Ayres and Ensenada Port Railway Company Limited (in this Act called "the Company") was incorporated in the year 1872 under the Companies Acts 1862 and 1867 as a company limited by shares for the purpose (among other things) of constructing and working a railway from Buenos Ayres to Ensenada and executing other public works in the Argentine Republic or any of the States bordering on the River Plate:

And whereas the Company completed the said railway to Ensenada and now maintain and work that railway and other railways which they have acquired or constructed:

And whereas by the Buenos Ayres and Ensenada Port Railway Company's Act 1884 and the Buenos Ayres and Ensenada Port Railway Company's Act 1888 (in this Act called "the Act of 1888") further provisions were made with respect to the capital of the Company:

And whereas the authorised capital of the Company is now £1,800,000 consisting of—

Seven per centum cumulative preference stock created by the Act of 1888 - - -	£600,000
Ordinary stock created by the Act of 1888 -	£600,000
Ordinary stock and shares created by a special resolution of the Company in the month of February 1890 - - - -	£600,000

And whereas the whole of the seven per centum cumulative preference stock has been issued and fully paid up and the whole of the ordinary stock created by the Act of 1888 has been issued and fully paid up and of the ordinary stock and shares created by special resolution £295,470 has been issued and fully paid up:

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And whereas of late years owing to the depressed condition of trade and the state of the currency in the Argentine Republic the Company has been unable to pay any dividend on the ordinary stock or the full dividend on the cumulative preference stock and the arrears of dividend now due and owing on the last-mentioned stock amount to £156,000:

And whereas in view of the depreciation of the Argentine currency a sum of £61,103 16*s.* 5*d.* was pursuant to a resolution of a meeting held in November 1892 carried to an account called the exchange suspense account which sum has been written down to and now stands at the figure of £39,701 3*s.* 2*d.*:

And whereas the existence of so large an amount of arrears of dividend on the cumulative preference stock is prejudicial to the interests of the Company and a scheme has been prepared by a committee representing the holders of the stock of the Company in co-operation with the directors of the Company for the conversion of that preference stock into two classes of new preference stock and for extinguishing such arrears of dividend:

And whereas upwards of three-fourths in value of the holders of the existing preference stock and of the holders of the existing ordinary stock of the Company respectively have signified their assent in writing to such scheme:

And whereas it is expedient to give effect to the provisions of such scheme in manner provided by this Act and also to require the said sum of £39,701 3*s.* 2*d.* now standing to the exchange suspense account to be written off and cancelled:

And whereas the objects of this Act cannot be attained 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 as the Buenos Ayres and Ensenada Port Railway Company's Act 1896.

Amount of capital of Company.

2. From and after the passing of this Act the nominal capital of the Company shall be one million eight hundred thousand pounds subject nevertheless to increase or reduction in accordance with the provisions of the Companies Acts 1862 to 1890.

Division of capital.

3. Of that capital nine hundred thousand pounds shall be preference capital subject to the provision in this Act contained for conversion of a portion of that capital into ordinary shares or stock and nine hundred thousand pounds shall be ordinary capital.

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Description and rights of preference stock.

4. The preference capital of nine hundred thousand pounds shall consist of six hundred thousand pounds cumulative preference stock fully paid to be called first preference stock (cumulative) and of three hundred thousand pounds preference stock fully paid to be called convertible preference stock (non-cumulative) (which term implies and means that the dividend on such stock in respect of any year shall be contingent on the profits of that year and shall not be charged upon or be made up out of the divisible net profits of any succeeding year or years).

The holders of the first preference stock (cumulative) shall be entitled to a cumulative preferential dividend of five pounds per centum per annum but not to any further share of the profits in any year and any deficiency in respect of the said preferential dividend on the said preference stock in any year shall be carried forward and charged on the divisible net profits of the succeeding year or years until paid.

In the event of the Company being wound up the holders of the first preference stock (cumulative) shall be entitled to have the surplus assets applied in the first place in repayment to them of the amounts paid up in respect of such stock.

The convertible preference stock (non-cumulative) shall be entitled to a non-cumulative preferential dividend of six pounds per centum per annum.

Allocation of preference stock.

5.—(1) Every holder of the existing preference stock of the Company shall for every one hundred pounds of his holding receive one hundred pounds of the new first preference stock (cumulative) and fifty pounds of the new convertible preference stock (non-cumulative) and so in proportion for any fraction or fractions of one hundred pounds.

(2) New preference stock issued in pursuance of this section to any holder of existing preference stock shall be registered in his name in the books of the Company and shall be (subject to the provisions of this Act) entitled to the like privileges and be held in the same rights on the same trusts and subject to the same powers provisions charges and liabilities as the portion of existing preference stock for which it is substituted and be dealt with disposed of and applied accordingly and so as to give effect to and not to revoke any deed will or other instrument disposing of or affecting the portion of existing preference stock for which it is substituted and every such deed will or instrument disposing of or affecting or purporting to dispose of or affect any existing preference stock shall take effect with reference to the whole or a proportionate part as the case may be of the substituted new preference stock.

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(3) Trustees executors administrators and other incapacitated persons may accept such new preference stock in substitution for existing preference stock and may retain dispose of or otherwise deal with the same as fully and freely in all respects as they might have retained disposed of or otherwise dealt with existing preference stock and they are hereby indemnified for all acts done by them in the bonâ fide exercise of the powers given by this section.

(4) The certificates for any existing preference stock for which new preference stock is substituted shall before the issue of such last-mentioned stock be delivered up to the Company to be and shall be cancelled and certificates for new preference stock shall be issued gratis in exchange therefor by the Company to the holders of existing preference stock If any certificate for any existing preference stock be lost or destroyed then upon proof thereof to the reasonable satisfaction of the Company a certificate for new preference stock shall be given to the party entitled to the certificate so lost or destroyed.

(5) On registration in the books of the Company of the holder of any portion of the existing preference stock of the Company as proprietor of the amount of new stock to which he is entitled under the provisions of this Act the portion of existing preference stock of the Company for which such new stock is substituted shall be by virtue of this Act cancelled and extinguished.

(6) In and for the purposes of this Act the term "existing" means existing immediately before the passing of this Act.

Power to exchange convertible stock.

6. The holder of any portion of the convertible preference stock (non-cumulative) may in respect of his holding or any portion thereof being a multiple of ten pounds give written notice at any time to the Company of his desire to exchange such stock for ordinary fully paid shares or stock of the Company and the Company shall on receiving the certificate of such preference stock issue to such holder in exchange therefor a like nominal amount of ordinary shares or stock of the Company credited by virtue of this Act as fully paid and the certificate of such preference stock shall be cancelled and the certificates for the ordinary shares or stock issued in lieu thereof shall be delivered to the holder of such preference stock and thereupon the amount of preference stock so exchanged shall be by virtue of this Act cancelled and extinguished and the amount of ordinary capital by this Act authorised shall be correspondingly increased.

Arrears of dividend on existing preference stock

7. All arrears of dividend due and owing on the existing preference stock of the Company immediately before the passing of this Act are hereby cancelled and all claims and rights in respect thereof are hereby barred and extinguished.

Closing of exchange suspense account.

8. It shall be the duty of the directors of the Company as soon as may be after the passing of this Act to close the exchange suspense account now appearing in the accounts and balance sheet of the Company and to write off and cancel all sums standing under that description to the debit of the revenue account of the Company as expenditure on capital account.

As to ordinary stock.

9. The ordinary stock and shares of the Company which have been issued shall continue to be held as if this Act had not been passed and the ordinary stock and shares remaining unissued immediately before the passing of this Act are hereby cancelled and extinguished to the extent of three hundred thousand pounds.

Deposit of copy of Act with registrar.

10. The Company shall forthwith after the passing of this Act give notice thereof to the Registrar of Joint Stock Companies and shall within three months after the passing of this Act forward a printed copy thereof to him 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 such 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.

Copy of the Act to be supplied to members on request.

11. To every copy of the memorandum and articles of association of the Company supplied after the passing of this Act to any member under the provisions of section 19 of the Companies Act 1862 there shall be annexed a copy of this Act which for the purposes of that section shall be treated as part of the memorandum and articles of association of the Company.

Costs of Act.

12. All costs charges and expenses preliminary to and of and incidental to preparing and obtaining this Act shall be paid by the Company.

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