ANNO DECIMO NONO & VICESIMO

VICTORIÆ REGINÆ.

Cap. lxxxi.

An Act to attach further Advantages to certain Portions of the Capital of the *Eastern Union* Railway Company. [7th *July* 1856.]

WHEREAS by the "*Eastern Union* Railway Arrangements Act, 1852," the *Eastern Union* Railway Company were authorized to convert, in manner therein mentioned, any Part of the Debts owing by the Company at the Time of the passing of that Act, not secured by Mortgage or Bond, into perpetual preferential Stock of the Company of equal Amount, such Stock (called in the said Act "Creditors Stock") not to exceed in the aggregate Two hundred and fifty thousand Pounds, and such Stock was to be added to and become Part of the Share Capital of the Company; but nothing in that Act was to authorize or enable the Company to borrow any Money on Mortgage or Bond, or otherwise: And whereas by the same Act the Directors of the Company were authorized, for the Payment of Debts not converted under the Provisions of the same Act, to issue Shares (in the said Act called "new Shares"), amounting to Seventy-seven thousand eight hundred and twenty-five Pounds, in the Stead of and of the same aggregate Amount as Three thousand one hundred and thirteen Shares of twenty-five Pounds each, in the said Act designated as "unissued Shares;" and the Company were also

15 & 16 Vict. c. cxlviii.

authorized to attach a preferential Interest to such Shares, not exceeding Four Pounds *per Centum per Annum*, provided the Holders of certain Stock (in the said Act designated as Preference Stock No. 1.) should consent to the Grant of such Preference: And whereas the said Company have duly converted Debts owing by them at the Time of the passing of the said Act, and not secured by Mortgage or Bond, amounting in the aggregate to Two hundred and fifty thousand Pounds, into Stock of the like Amount, bearing a preferential Interest of Four Pounds *per Centum per Annum*, but they have been unable to issue the said "new Shares," and to attach a preferential Dividend thereto, inasmuch as the said Preference Stock No. 1. having been redeemed under the Provisions of "The *Eastern Union* Railway Amendment Act, 1853," it is impossible to obtain the required Consents: And whereas the Money to be raised by the said "new Shares" was intended to have been applied in Payment of Debts due to divers Persons for Land taken by the Company, which Debts amount to about the Sum which the said Shares would have produced, and the Want of Funds for Payment of the said Debts is a constant Source of Litigation and Expense to the Company: And whereas, for the Purpose of providing for the Deficiency created by the Non-issue of the said new Shares, it is expedient that the Company should have Power to borrow on Mortgage of their Undertaking, or on Bond, a further Sum not exceeding in the whole One Third of the said Sum of Two hundred and fifty thousand Pounds: And whereas the Interest payable on the Sum so to be raised by Mortgage or Bond will have Precedence of the Dividends from Time to Time payable on the said Creditors Stock, but every Holder of the said Stock has been applied to for his Assent to the Grant of the said Priority, and the Holders of Two hundred and thirty-two thousand nine hundred and thirty Pounds of the said Stock have expressed their Assent thereto, and the Holders of the remaining Ten thousand and seventy Pounds have returned no Answer to the said Application, and no Holder of the said Stock hath dissented therefrom: And whereas by the said "*Eastern Union* Railway Amendment Act, 1853," the Company were required to redeem, in manner and within the Period therein mentioned, by paying Cash to the Holders thereof, the Preference Shares in the said Act mentioned; and it was also thereby enacted that the Company might create and issue Shares in the Stead and to the nominal Amount so paid or to be paid under the Provisions of the same Act, and might attach to the Shares so to be created such Interest or Dividend, preferential or otherwise, as might be agreed upon between the Company and the Persons taking the same, but not exceeding the Rate of Four Pounds *per Centum per Annum*; such Shares to be redeemable at Par upon such Notice to the Holders thereof being given as therein mentioned; but the Company, having been unable to issue Shares to the Amount of the

16 & 17 Vict. c. ccxxi.

Redemption

Redemption Money which they have paid in obedience to the said Act, were compelled to borrow and take up at Interest from the *Eastern Counties* Railway Company the Sum of Two hundred thousand Pounds, Portion of the said Redemption Money; and to enable the said *Eastern Union* Railway Company to issue Shares for the Repayment of the said Two hundred thousand Pounds, it is expedient that the said *Eastern Union* Railway Company should have Power to attach to the Shares to be so issued Interest or Dividend at a Rate exceeding Four Pounds *per Centum per Annum*, and also that whilst the said *Eastern Counties* Railway Company continues in the Possession of the Undertaking of the *Eastern Union* Railway Company the said *Eastern Counties* Railway Company should have Power to guarantee the Payment of Interest upon the Shares to be issued for such Purpose: And whereas the *Eastern Counties* Railway Company are as aforesaid in possession of and working the Undertaking of the *Eastern Union* Railway Company, and are in receipt of the Tolls and Rates thereof by virtue of "The *Eastern Counties* and the *Norfolk*, the *Eastern Union*, the *East Anglian*, and the *Newmarket* Railways Act, 1854," and of a certain Agreement dated the Sixth Day of *February* One thousand eight hundred and fifty-four referred to in the said Act; and it is expedient that whilst the said *Eastern Counties* Railway Company continue in such Possession and working, and Receipt of Tolls and Rates as aforesaid, the same Company should have Power to guarantee the Payment of Interest upon all or any of the present or future Mortgages or Bonds of the said *Eastern Union* Railway Company; but inasmuch as the Authority of Parliament is necessary for the Attainment of the foregoing Objects, 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:

17 & 18 Vict. c. ccxx.

Powers granted by 15 & 16 Vict. c. cxlviii. ss. 6. & 7. as to Issue of new Shares, repealed.

I. The Powers granted to the Company by Sections Six and Seven of "The *Eastern Union* Railway Arrangements Act, 1852," for the Issue of "new Shares," and the granting to such Shares a preferential Dividend, are hereby repealed.

Power to borrow on Mortgage instead of issuing new Shares.

II. It shall be lawful for the Company, in the Stead of the Power so repealed of issuing such "new Shares," to borrow on Mortgage of their Undertaking, or on Bond, any Sum not exceeding Eighty-three thousand three hundred Pounds, in addition to the Sums which they are already authorized to borrow on Mortgage or Bond: Provided always, that all Mortgages or Bonds already granted by the Company shall, during the Continuance thereof, have Priority over any Mortgages or Bonds to be created by virtue of this Act: Provided

Former Mortgages to have Priority.

Provision as to Amount to be borrowed, and Application of the same when borrowed.

vided also, that the Company shall not borrow on Mortgage or Bond, by virtue of the Powers herein contained, any larger Amount than shall be necessary for discharging the Debts due from them for Land, and the Costs and Expenses incidental thereto; and the Company shall and they are hereby required to appropriate and apply the Money so borrowed under the Authority of this Act, or so much thereof as shall be sufficient for that Purpose, to the Payment and in discharge of Debts due from the Company for Land taken by them as aforesaid, and for Costs and Expenses incidental thereto, and not otherwise: Provided lastly, that it shall not be necessary for any Mortgagee or Bondholder of the *Eastern Union* Railway Company to see to the Application of any Money advanced by him to the Company, nor shall any Mortgage or Bond granted by the Company be invalidated on account of the Misapplication by the Company of any Money secured thereby.

When Holders of Creditors Stock to have Precedence in the Receipt of Dividends.

III. To protect the Rights of those Holders of Creditors Stock stated as aforesaid to have received Notice of the Priority granted to the Money to be raised by Mortgage or Bond under this Act, and not to have dissented therefrom, if any Person who held any Portion of the Ten thousand and seventy Pounds Creditors Stock on the Twenty-second Day of *May* One thousand eight hundred and fifty-six shall, at the next Audit of the Company's Accounts, show to the Satisfaction of the Auditor appointed by the Board of Trade (who is hereby required to examine into and determine the Matter) that he (the Holder of the said Stock) had not received Notice as aforesaid, or that he had on or before the Second Day of *June* One thousand eight hundred and fifty-six signified in Writing addressed to the Secretary of the Company his Dissent from the Grant of the said Priority, then the Stock so held by him on the said Twenty-second Day of *May* shall have Precedence in the Receipt of Dividends thereon over the Payment of Interest on the Mortgages or Bonds to be created by virtue of this Act.

Power to create preferential Shares pursuant to Sect. 8 of 16 & 17 Vict. c. ccxxi. for discharging Debt due to Eastern Counties Railway Company.

IV. In pursuance of the Powers granted to the Company by Section VIII. of "The *Eastern Union* Railway Amendment Act, 1853," for the Creation and Issue of Shares in the Stead and to the nominal Amount of the Redemption Money to be paid according to the Provisions of the last-mentioned Act, it shall be lawful for the Company, for the Purpose of discharging the Debt due to the *Eastern Counties* Railway Company, to issue Shares of the nominal Value of Two hundred thousand Pounds; and the Company may attach to the Shares so to be created such Interest or Dividend, preferential or otherwise, as may be agreed upon between the Company and the Parties taking the same, but not exceeding Interest at the Rate of Five Pounds *per Centum per Annum;* and the said Shares shall be deemed

to

to be Part of the Shares to be created by virtue of the said Section VIII., and the Dividends or Interest thereon shall be paid concurrently with but not in preference or priority to the Dividends or Interest payable on the Shares already created or to be created by virtue of the said Section; and such Shares shall be redeemable in the Manner prescribed by Section X. of the same Act.

Eastern Counties Railway Company may guarantee Interest on Mortgages and Dividends on Shares.

V. It shall be lawful for the *Eastern Counties* Railway Company from Time to Time, upon the Conditions and subject to the Provisions herein-after contained, to guarantee the Payment of Dividends on the Shares, or any Part of the Shares, to be issued by virtue of this Act, and also to guarantee the Payment of Interest on the Mortgages and Bonds, or any Part of the Mortgages and Bonds, issued or to be issued by the *Eastern Union* Railway Company in pursuance of the Powers heretofore or by this Act granted to them and still subsisting: Provided always, that the Power so granted to the *Eastern Counties* Railway Company shall be exercised only on the following Conditions; namely,

1. No such Guarantee shall extend beyond the Time during which the *Eastern Counties* Railway Company shall be in receipt of the Tolls and Profits of the *Eastern Union* Railway Company; nor shall the aggregate annual Dividends and Interest so to be guaranteed by the *Eastern Counties* Railway Company ever exceed Six Sevenths of the annual Amount payable by the *Eastern Counties* to the *Eastern Union* Railway Company by virtue of any Lease or Agreement existing between them, such annual Amount, if fluctuating, to be ascertained by the Average of the Two preceding Years:
2. There shall be legibly inscribed on the Certificates of the Shares, or on the Deeds of Mortgage, or on the Bonds for which the Dividends or Interest respectively are so guaranteed, the Fact of the Guarantee and the Duration thereof:
3. No such Guarantee or Payment shall interfere with or postpone the Rights or Precedence of any Mortgagees or Shareholders or Creditors of the *Eastern Union* Railway Company, or the Payment of the Interest or Dividends due from Time to Time on the said Creditors Stock, or on the said Shares referred to in the said Fourteenth Section of "The *Eastern Union* Railway Arrangements Act, 1852," or the half-yearly Payments of the annual Rent of Nine thousand five hundred Pounds due as aforesaid to the *Colchester, Stour Valley, Sudbury, and Halstead* Railway Company; but all the afore-mentioned Payments shall have Precedence of the Interest or Dividends on the Shares or Stock to be created by virtue of this Act.

Saving Rights of Colchester, Stour Valley, Sudbury, and Halstead Railway Company.

VI. Provided always, That nothing in this Act contained shall in anywise lessen, impair, alter, prejudice, or affect any of the Priorities, Rights, Powers, Privileges, Advantages, or Remedies which are conferred upon or confirmed to the said *Colchester, Stour Valley, Sudbury, and Halstead* Railway Company by "The *Eastern Union* Railway Arrangements Act, 1852," "The *Eastern Union* Railway Amendment Act, 1853," and "The *Eastern Counties* and the *Norfolk*, the *Eastern Union*, the *East Anglian*, and the *Newmarket* Railways Act, 1854," or which the said *Colchester, Stour Valley, Sudbury, and Halstead* Railway Company now has or at any Time hereafter may have under the said several last above-mentioned Acts, or either of them, or under the Agreement or Lease referred to in the Eighteenth Section of the said last-mentioned Act, either for the Recovery of the Rent of Nine thousand five hundred Pounds *per Annum* reserved by the said Lease, or for enforcing the Performance of the Covenants contained in such Lease, but that such Rent shall be duly paid to the said *Colchester, Stour Valley, Sudbury, and Halstead* Railway Company, and the Covenants contained in such Lease shall in all respects be duly performed according to the Provisions of the said Lease and of the said several Acts in this Section mentioned, or either of them, as if this Act had not been passed.

Nothing to affect Rights of Holders of Creditors Stock;

VII. Provided further, That nothing in this Act contained shall in anywise lessen, impair, alter, prejudice, or affect any of the Priorities, Rights, Powers, Privileges, Advantages, or Remedies which are conferred upon or confirmed to the Holders of the "Creditors Stock" mentioned in "The *Eastern Union* Railway Arrangements Act, 1852," by such Act, but that the Interest to become payable upon or in respect of such last-mentioned Stock shall be paid in priority to any Interest or Dividend which may be attached to the Shares issued by virtue of this Act.

nor of Holders of Harwich Shares.

VIII. Provided lastly, That nothing in this Act contained shall in anywise lessen, impair, alter, prejudice, or affect any of the Priorities, Rights, Powers, Privileges, Advantages, or Remedies which are conferred upon or confirmed to the Holders of the Shares mentioned in the Fourteenth Section of "The *Eastern Union* Railway Arrangements Act, 1852," by such Act, but that the Rent receivable or to be received from the said *Eastern Counties* Railway Company in pursuance of the Agreement referred to in the Twelfth Section of the said last-mentioned Act shall be carried to account, applied, appropriated, and paid as if this Act had not passed; and the said *Eastern Counties* Railway Company shall not be entitled to retain, out of any Sum or Sums of Money which may be payable by them to the *Eastern Union* Railway Company, any Sum or Sums of Money which the said *Eastern Counties* Railway Company may by virtue of this

this Act become liable to pay for or on behalf of the said *Eastern Union* Railway Company, so as in any way to prejudice the Rights of the Holders of the said Shares, or to cause any Deduction or Abatement from the said Rent in any Manner whatever.

Deposits for future Bills not to be paid out of Company's Capital.

IX. It shall not be lawful for the Company, out of any Moneys by any Act relating to the Company authorized to be raised for the Purposes of such Act or Acts, to pay or deposit any Sum of Money which, by any Standing Order of either House of Parliament now in force or hereafter to be in force, may be required to be deposited in respect of any Application to Parliament for the Purpose of obtaining an Act authorizing the Company to construct any other Railway or execute any other Works or Undertaking.

Railway not exempt from Provisions of present and future General Acts.

X. Nothing herein contained shall be deemed or construed to exempt the *Eastern Union* Railway from the Provisions of any General Act relating to Railways, or to the better and 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 authorized by this Act or the said recited Acts, and of the Rates for small Parcels.

Short Title.

XI. In citing this Act for any Purpose, it shall be sufficient to describe it as "The *Eastern Union* Railway Act, 1856."

Expenses of Act.

XII. All the Costs, Charges, and Expenses of applying for, obtaining, and passing this Act, or preparatory or incident thereto, shall be paid and discharged by the Company.

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