CHAP. xxix.

An Act for effecting an Arrangement with respect to the mortgage and other Debts of the Enniskillen, Bundoran, and Sligo Railway Company; and for other purposes. A.D. 1869.

[24th June 1869.]

WHEREAS by the Enniskillen and Bundoran Railway Act, 1861, (in this Act called the Act of 1861,) the Enniskillen and Bundoran Railway Company were incorporated, with a capital of two hundred thousand pounds in shares of ten pounds each, and power to borrow on mortgage sixty-six thousand six hundred pounds, and to make the railway therein described, being a railway from the Londonderry and Enniskillen Railway to the town of Bundoran in the county of Donegal:

And whereas by the "Enniskillen, Bundoran, and Sligo Railway Act, 1862," (in this Act called the Act of 1862,) the name of the said company was changed to the Enniskillen, Bundoran, and Sligo Railway Company, and the said company (in this Act called "the company") were authorized to make the railways therein described in extension of their railway from Bundoran to Sligo, and to raise an additional capital in ordinary shares of one hundred and fifty thousand pounds, and to borrow fifty thousand pounds on mortgage of their undertaking, but the powers of that Act have never been exercised:

And whereas by "The Enniskillen, Bundoran, and Sligo Railway Act, 1865," (in this Act called "the Act of 1865,") the company were authorized to raise one hundred thousand pounds by ordinary or preference shares, and thirty-three thousand three hundred pounds by mortgage of their undertaking:

And whereas the share capital of the company consists of two hundred thousand pounds of ordinary capital and one hundred thousand pounds of preference capital, and the company have issued mortgages at five pounds per centum per annum interest for the whole of the said sum of sixty-six thousand six hundred pounds

A.D. 1869.

authorized by the Act of 1861, and for the whole of the said sum of thirty-three thousand three hundred pounds authorized by the Act of 1865; but mortgages for ten thousand three hundred pounds of the last-mentioned sum are held as security for the unsettled claims of landowners upon the same:

And whereas the sums which the company were able to raise under the powers of the said Acts were greatly insufficient to enable them to complete the railways and works thereby authorized, and being largely indebted to various persons, and pressed for payment of their debts, they gave securities of the description known as "Lloyd's bonds," for various sums of money, amounting in the whole to one hundred and fifty-three thousand four hundred and fifty-three pounds, with interest at the rate of five pounds per centum per annum:

And whereas the railway authorized by the Act of 1861 is opened for traffic, but an expenditure of ten thousand pounds or thereabouts is required to discharge the landowners claims for which the said mortgages for ten thousand three hundred pounds are held as security, and for further necessary station accommodation:

And whereas the railway authorized by the Act of 1861 is worked by the Irish North-western Railway Company, but the portion of receipts paid over to the company has hitherto been small, and insufficient to pay the interest upon their debts, and there are three years arrears of interest due upon the said mortgages and Lloyd's bonds, and by reason of this condition of the company's affairs the mortgages for the said sum of ten thousand three hundred pounds cannot be made available for raising the money to discharge the claims for which they are held as security:

And whereas certain of the mortgagees have filed a bill in the High Court of Chancery in Ireland to enforce their claims against the company, and other disputes have arisen, but for settlement thereof it has been agreed between the company and a large majority of the parties interested that the mortgages for the sum of ten thousand pounds, part of the said sum of ten thousand three hundred pounds, should be converted into debenture stock at five pounds per centum per annum, and form a first charge upon the undertaking of the company, and the monies raised thereby be applied in discharge of the landowners claims and completing the station accommodation; that the said sum of sixty-six thousand six hundred pounds should form the second charge upon the company's undertaking; that the sum of twenty-three thousand three hundred pounds, residue of the said sum of thirty-three thousand three hundred pounds, should form the third charge upon the

company's undertaking; and that the Lloyd's bonds should form the fourth charge upon the company's undertaking; that for the future the interest upon the mortgages comprised in the second and third charges upon the undertaking should be four pounds per centum per annum, instead of five pounds per centum per annum, and the interest upon the Lloyd's bonds should be three pounds per centum per annum; that whenever there should be a deficiency of net revenue to pay in full the interest upon the mortgages hereinafter described as of the first and second class, one fifth part of the net revenue applicable to the payment of interest upon the mortgages of the first class should (subject as herein-after mentioned) be applied in payment of interest upon the mortgages of the second class, and that the net revenues of the company should be applied in payment of interest upon the Lloyd's bonds when the mortgages having priority over such Lloyd's bonds had been paid four pounds per centum per annum:

And whereas it is expedient that effect should be given to the said arrangement; but the same cannot be done 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 of the Commons, in this present Parliament assembled, and by the authority of the same, as follows:

Short title.

1. This Act may for all purposes be cited as "The Enniskillen, Bundoran, and Sligo Railway Act, 1869."

Incorporation of part of Companies Clauses Act, 1863.

2. Part III. of "The Companies Clauses Act, 1863," relating to debenture stock, is (except where expressly varied by this Act) incorporated with and forms part of this Act.

Extinguishing arrears of interest upon mortgages and Lloyd's bonds.

3. All arrears of interest due upon the mortgages and Lloyd's bonds of the company on the first day of January one thousand eight hundred and sixty-nine are hereby extinguished.

As to 10,000*l.* 5*l.* per cent. debenture stock.

4. The company are hereby authorized and required to create and issue debenture stock for such amounts as they think fit, not exceeding in the whole ten thousand pounds, and such debenture stock shall entitle the holders thereof to interest or dividends at the rate of five pounds per centum per annum, and shall be a first charge upon the undertaking and net income of the company, and the money raised by means of the said debenture stock shall be deemed part of the thirty-three thousand three hundred pounds authorized to be raised by mortgage by the Act of 1865, and shall be applied only in payment and settlement of claims of owners, lessees,

A.D. 1869.

or occupiers of lands or buildings for compensation, accommodation works, costs, or expenses in respect of such land or buildings, or in station accommodation upon or in connection with the railways of the company, and of the costs of this Act.

The 66,600*l.* to bear interest at 4*l.* per centum per annum, and to be a second charge upon the undertaking.

5. The mortgages granted by the company for securing the said sum of sixty-six thousand six hundred pounds shall form the second charge upon the undertaking of the company, and are herein-after referred to as mortgages of the first class; and the holders of such mortgages, and of all future renewals thereof, their executors, administrators, and assigns respectively, shall be entitled to interest on their respective mortgages as from the first day of January one thousand eight hundred and sixty-nine at the rate of four pounds per centum per annum.

The 23,300*l.* to bear interest at 4*l.* per centum per annum, and to be a third charge upon the undertaking.

6. The mortgages granted by the company for securing the said sum of twenty-three thousand three hundred pounds shall form the third charge upon the undertaking of the company, and are herein-after referred to as mortgages of the second class; and the holders of any such mortgages, their executors, administrators, and assigns respectively, shall be entitled to interest on their respective mortgages as from the said first day of January one thousand eight hundred and sixty-nine at the rate of four pounds per centum per annum.

Power to create creditors stock.

7. In addition to the debenture stock for raising the said sum of ten thousand pounds, the company are hereby authorized and required to create other debenture stock, to be called creditors stock, to the aggregate amount of the Lloyd's bonds, which debenture or creditors stock shall rank after all other debenture stocks and all mortgages of the company, but shall have priority over all preference shares and stocks of the company; and the holders of such creditors stock shall be entitled to dividends as and from the said first day of January one thousand eight hundred and sixty-nine at the rate of three pounds per centum per annum.

Creditors stocks to be issued to Lloyd's bondholders.

8. Every holder of a Lloyd's bond granted by the company, and forming part of the said sum of one hundred and fifty-three thousand four hundred and fifty-three pounds, shall in lieu thereof be entitled as from the first day of January one thousand eight hundred and sixty-nine to an amount of creditors stock of the company which shall be equal to the amount of principal money secured by such bond; and upon receipt of the certificate of such stock the holder of the Lloyd's bond shall deliver up the same to the secretary or other officer of the company to be cancelled, and all claims, whether for principal or interest, in respect thereof, shall cease.

Application of net receipts in payment of interest and dividends on the mortgages and creditors stock.

9. The mortgages of the first class shall have and retain their priority over the mortgages of the second class, as herein-before provided; but whenever in any half year the net receipts of the company applicable to the payment of interest on mortgages of both classes is insufficient to pay in full the half year's interest then due on all the mortgages of both classes, four fifth parts of the amount of such net receipts shall be applied in or towards payment of the interest upon the mortgages of the first class, and the remaining fifth part of the amount of such net receipts shall be applied towards payment of the interest upon the mortgages of the second class, but so nevertheless that such division of net receipts shall not be held to entitle the holders of mortgages of the first class to more than the amount of their interest for the half year; and whenever the four fifths of the net receipts in any half year shall be more than sufficient to pay the half year's interest upon the mortgages of the first class, the residue after payment of such half year's interest shall be added to the fifth part of the net receipts applicable to the payment of interest on the mortgages of the second class, and the holders of the creditors stock shall not be entitled to receive any dividend upon their said stock until the mortgages of both classes have been paid all interest due upon their mortgages.

Interest not to be paid on calls paid up.

10. The company shall not, out of any money by this Act or any other Act authorized to be raised by calls or by borrowing, pay interest or dividend to any shareholder on the amount of the calls made in respect of the shares held by him: Provided always, that this Act shall not prevent the 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.

11. The company shall not, out of any money by this or any other Act authorized 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 authorizing the company to construct any other railway, or to execute any other work or undertaking.

Provision as to General Railway Acts.

12. Nothing herein contained shall be deemed or construed to exempt the railways of the company from the provisions of any general Act relating to railways, or 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,

A.D. 1869.

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, authorized by any Act relating to the company.

Expenses of Act.

13. All costs, charges, and expenses of and incident to the obtaining and passing of this Act shall be paid by the company in priority to all other claims.

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