CHAP. cliv.

An Act for conferring further Powers upon the Furness Railway Company for the construction of Works and the acquisition of Lands, and otherwise in relation to their Undertaking; and for other purposes. [9th August 1869.]

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WHEREAS the Furness Railway Company (in this Act called "the Company") are desirous, and it is expedient that they be authorized, to make and maintain the railway following; (that is to say,)

A railway commencing in the township of Finsthwaite in the parish of Colton in the county of Lancaster by a junction with the railway firstly described in section 5 of "The Furness Railway Act, 1866," and terminating in the said township and parish at or near "the Landing" on Windermere Lake:

And whereas it is expedient that the Company be empowered to purchase and take by compulsion or agreement for station accommodation and other purposes of their undertaking additional lands and houses in the several parishes and places following; (that is to say,)

Kirkby Ireleth and Angerton in the county of Lancaster, and Millom and St. Bridget Beckermet in the county of Cumberland:

And whereas it is expedient that the Company be authorized to purchase by agreement or to take on lease the Furness Abbey Hotel, with the gardens, stables, appurtenances, and conveniences thereto belonging, situate in the parish of Dalton-in-Furness in the county of Lancaster, and to take and hold, by themselves or their nominees, shares in the capital of the Grange Hotel Company (Limited), and in the capital of any company formed for the purpose of erecting an hotel near the Company's station in the township of Finsthwaite in the parish of Colton in the county of Lancaster, and to enter into agreements with and to appoint directors of those Companies, and to lease for a term of years or otherwise the Furness Abbey Hotel,

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with the gardens, stables, appurtenances, and conveniences connected therewith:

29 & 30 Vict. c. clxxvi.

And whereas by "The Furness Railway Act, 1866," (section 27) the Company were authorized to subscribe and contribute funds towards and to take and hold shares in the undertaking of the Windermere United Steam Yacht Company (Limited) (in this Act called the Windermere Yacht Company) to any extent not exceeding ten thousand pounds, and it was provided that the Company should not sell, dispose of, or transfer any of the shares for which they might subscribe:

And whereas it is expedient that the agreement between the Windermere Yacht Company and the Company set forth in the schedule to this Act annexed be confirmed:

And whereas the Company are desirous and it is expedient that the railways, portions of railways, and works in that behalf in this Act specified should be abandoned:

And whereas it is expedient that other provisions be made with respect to the Company:

And whereas plans and sections of the railway by this Act authorized showing the line and levels thereof, and plans of the lands to be taken under the powers of this Act, together with books of reference to the plans containing the names of the owners or reputed owners, lessees or reputed lessees, and occupiers of the lands, have been deposited with the respective clerks of the peace for the counties of Westmoreland, Lancaster, and Cumberland, and those plans, sections, and books of reference are in this Act referred to as "the deposited plans, sections, and books of reference:"

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 for all purposes as "The Furness Railway Act, 1869."

8 & 9 Vict. cc. 18. & 20., 23 & 24 Vict. c. 106., and 26 & 27 Vict. cc. 92. & 118. incorporated.

2. "The Lands Clauses Consolidation Act, 1845," "The Lands Clauses Consolidation Acts Amendment Act, 1860," "The Railways Clauses Consolidation Act, 1845," and Part I. (relating to the construction of a railway) of "The Railways Clauses Act, 1863," 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 shall have the same respective meanings, unless there be something in the subject or context repugnant to such construction; the expression "the Company" means the Furness Railway Company; the expression "the railway" means the railway by this Act authorized; the expression "the Windermere Yacht Company" means the Windermere United Steam Yacht Company (Limited); and 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 and have effect as if the debt or demand with respect to which the expression is used were a common simple contract debt, and not a debt or demand created by statute.

Power to take lands.

4. Subject to the provisions of this Act and of the Acts and parts of Acts incorporated herewith, the Company may from time to time enter upon, take, and use, and appropriate all or any of the lands defined on the deposited plans, and described in the deposited books of reference.

Power to make railway and works.

5. Subject to the provisions of this Act and of the Acts and parts of Acts incorporated herewith, the Company may make and maintain, in the lines and according to the levels shown on the deposited plans and sections, the railway, with all proper sidings, stations, approaches, works, and conveniences connected therewith, and may enter upon, take, and use such of the lands delineated upon the deposited plans, and described in the deposited books of reference, as may be required for the purpose. The railway herein-before referred to and authorized by this Act is,—

A railway, five furlongs and eight chains in length, commencing in the township of Finsthwaite in the parish of Colton in the county of Lancaster by a junction with the railway firstly described in section 5 of "The Furness Railway Act, 1866," and terminating in the said township and parish at or near the wharf or landing place known as "the Landing," situate on Windermere Lake:

And the railway shall, with respect to tolls, rates, and charges, and for all other purposes whatsoever, be part of the undertaking of the Company, and the Company may demand and take in respect of the railway a like amount of tolls, fares, rates, and charges as by "The Furness Railway (Whitehaven Amalgamation) Act, 1866," the Company are authorized to demand and take with respect to their other railways.

Debenture stock.

6. The Company may create and issue debenture stock.

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Application of monies.

7. The Company may apply to the purposes of this Act, and to the general purposes of the Company (or to any or either of such purposes), any of the monies which they now have in their hands, or which they have power to raise by shares or mortgage by virtue of any Acts relating to the Company, and which may not be required for the purposes to which they are by any such Acts made specially applicable.

Powers for compulsory purchase limited.

8. The powers of the Company for the compulsory purchase of lands for the purposes of this Act shall not be exercised after the expiration of two years from the passing of this Act.

Imposing penalty unless line be opened.

9. If the Company fail within the period limited by this Act to complete the railway, the Company shall be liable to a penalty of fifty pounds a day for every day after the expiration of the period so limited until the railway is completed and opened for public traffic, or until the sum received in respect of such penalty shall amount to five per centum on the estimated cost of the works, and the said penalty may be applied for by any landowner or other person claiming to be compensated in accordance with the provisions of the next following section of this Act, and in the same manner as the penalty provided in the third section of the Act seventeen and eighteen Victoria, chapter thirty-one, known as "The Railway and Canal Traffic Act, 1854;" and every sum of money recovered by way of such penalty as aforesaid shall be paid under the warrant or order of such court or judge as is specified in the said third section of the Act seventeen and eighteen Victoria, chapter thirty-one, to an account opened or to be opened in the name and with the privity of the Accountant General of the Court of Chancery in England in the bank named in such order, and shall not be paid thereout except as herein-after provided; but no penalty shall accrue in respect of any time during which it shall appear, by a certificate to be obtained from the Board of Trade, that the Company was prevented from completing or opening the railway by unforeseen accident or circumstances beyond their control; provided that want of sufficient funds shall not be held to be a circumstance beyond their control.

Providing for application of deposit or penalty in compensation to parties injured.

10. Every sum of money so recovered by way of penalty as aforesaid shall be applicable, and after due notice in the London Gazette shall be applied, towards compensating any landowners or other persons whose property may have been interfered with or otherwise rendered less valuable by the commencement, construction, or abandonment of the railway, or any portion thereof, or who may have been subjected to injury or loss in consequence of the compulsory powers of taking property conferred upon the Company by this Act, and for which injury or loss no compensation or inadequate com-

pensation shall have been paid, and shall be distributed in satisfaction of such compensation as aforesaid in such manner and in such proportions as to the Court of Chancery in England may seem fit; and if no such compensation shall be payable, or if a portion of the sum or sums of money so recovered by way of penalty as aforesaid shall have been found sufficient to satisfy all just claims in respect of such compensation, then the said sum or sums of money recovered by way of penalty, or such portion thereof as may not be required as aforesaid, shall be paid to or on the application of the Company.

Limiting time for completion of railway.

11. The railway shall be completed within two years from the passing of this Act, and upon the expiration of that period the powers by this Act granted to the Company for executing the railway, or otherwise in relation thereto, shall cease to be exercised, except as to so much thereof as shall then be completed.

Power to purchase or lease the Furness Abbey Hotel.

12. The Company may by agreement purchase or take on lease the buildings and premises known as the Furness Abbey Hotel, and the gardens, stables, appurtenances, and conveniences belonging thereto or held in connexion therewith, situate in the parish of Dalton-in-Furness in the county of Lancaster, and may conduct and manage the same, or the Company may from time to time let the same on lease for such periods, and for such rents or other considerations, and on such terms and conditions, as they think fit.

Power to subscribe towards hotel at Finsthwaite.

13. The Company may from time to time take and hold, by themselves or their nominees, shares in the capital of any company formed for the purpose of erecting an hotel near the Company's station in the township of Finsthwaite in the parish of Colton in the county of Lancaster to any amount not exceeding ten thousand pounds, and the Company shall not sell or dispose of any share so taken, and the Company may from time to time enter into agreements and arrangements with, and while shareholders therein appoint a director or directors of, any such Company so formed as aforesaid.

Power to subscribe towards Grange Hotel Company (Limited).

14. The Company may from time to time take and hold, by themselves or their nominees, shares in the capital of the Grange Hotel Company (Limited) to any amount not exceeding five thousand pounds, and the Company shall not sell or dispose of any share so taken, and the Company may from time to time enter into agreements and arrangements with, and while shareholders therein appoint a director or directors of, the said Grange Hotel Company (Limited).

Confirmation of agreement in schedule.

15. The agreement between the Windermere Yacht Company and the Company set forth in the schedule to this Act annexed is by this Act confirmed and made binding upon the Companies

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parties thereto, and shall have full effect according to the terms and intent thereof.

Company to abandon certain railways and works.

16. The Company may and shall abandon the construction of so much of the railway No. 1. authorized by "The Whitehaven and Furness Junction Railway Act, 1865," as is situate and lies between the junction of that railway No. 1. with the branch railway No. 2. authorized by the said Act and the tramway or road which on the plans deposited for the purposes of the said last-mentioned Act is numbered 5 in the parish of Dalton-in-Furness in the county of Lancaster; and also the construction of the whole of the railways and works authorized by "The Furness Railway Act, 1865," except so much of the railway firstly described in the sixteenth section of that Act as is situate and lies between the commencement thereof and the fence dividing the properties numbered on the plans deposited for the purposes of the said last-mentioned Act 54 and 56 in the township of Hawcoat in the parish of Dalton-in-Furness in the county of Lancaster; and also the construction of the pier on the shore of Lake Windermere authorized by and described in the fifth section of "The Furness Railway Act, 1866;" and on and after the passing of this Act the Company shall, except only as is by this Act expressly provided, be absolutely freed from all obligation with respect to the making and maintaining of the said railways and works.

Compensation for damage to land by entry, &c. for purposes of railway abandoned.

17. The abandonment by the Company under the authority of this Act of any railway and works shall not prejudice or affect the right of the owner or occupier of any land to receive compensation in accordance with the provisions in that behalf of "The Lands Clauses Consolidation Act, 1845," for any damage occasioned by the entry of the Company on such land for the purpose of surveying and taking levels, or probing or boring to ascertain the nature of the soil, or setting out of the line of railway, and shall not prejudice or affect the right of the owner or occupier of any land which may have been temporarily occupied to receive compensation in accordance with the provisions in that behalf of "The Railways Clauses Consolidation Act, 1845," for such temporary occupation, or for any loss, damage, or injury which may have been sustained by such owner or occupier by reason thereof, or of the exercise as regards such land of any of the powers contained in the last-mentioned Act, or "The Whitehaven and Furness Junction Railway Act, 1865," or "The Furness Railway Act, 1865."

Compensation to be made in respect of railway and

18. Where before the passing of this Act any contract may have been entered into or notice given by the Company for the purchasing of any land for the purposes of or in relation to any portion of the railways or works authorized to be abandoned by this Act, full

compensation shall be made by the Company to the owners and occupiers or other persons interested in such lands for all injury or damage sustained by them respectively by reason of the purchase not being completed pursuant to the contract or notice, and the amount and application of the compensation shall be determined in manner provided by "The Lands Clauses Consolidation Act, 1845," for determining the amount and application of compensation paid for lands taken under the provisions thereof. A.D. 1869. works abandoned.

19. Notwithstanding the abandonment of the railway hereby authorized, it shall not be lawful for the Company to charge in respect of passenger and goods traffic arising at and conveyed between Askham and Ireleth stations on the south side of the Duddon estuary, and Millom and Hodbarrow stations on the north side of the said estuary, any larger amount of tolls and charges than they would have been entitled to demand and receive if the railway across the estuary was completed and opened for public traffic. Provision as to tolls between certain stations.

20. The Company shall convey all minerals, iron, timber, and other merchandise of the Furness Iron and Steel Company (Limited), between their works at Askham and Millom station and the present or any future terminus of the Company's line at Hodbarrow mines or port, and between such terminus and Millom station and the works aforesaid, for the sum of eightpence per ton, including terminals, if conveyed in waggons belonging to the Furness Iron and Steel Company (Limited), and one shilling per ton if carried in the Company's waggons: Provided always, that the Company shall not be required to convey minerals at such reduced rate except in train-loads of not less than one hundred tons, or to convey iron except in train-loads of not less than fifty tons: Provided also, that nothing herein contained shall affect or prejudice the existing arrangement under which the Railway Company have agreed that the works of the said Furness Iron and Steel Company (Limited) shall be placed on the same footing as regards rates as the ironworks at Hindpool, or any other agreements now in existence between the parties. Tolls for minerals, &c. between certain stations.

21. Whereas the Company have from time to time purchased by agreement (in excess of the quantity of land which by the several Acts relating to the Company they are authorized to purchase for the extraordinary purposes mentioned in "The Lands Clauses Consolidation Act, 1845,") certain lands and hereditaments situate in the township of Hawcoat in the parish of Dalton-in-Furness in the county of Lancaster, and such lands and hereditaments, with the exception of such parts thereof as have since been sold, are now vested as to part thereof in the Most Noble William Duke of Devonshire and James Ramsden, Esquire (two of the directors of Provisions with respect to certain lands in the township of Hawcoat in the parish of Dalton-in-Furness.

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the Company), jointly, as to other part thereof in the said Duke of Devonshire alone, and as to the remainder thereof in the said James Ramsden alone, in trust for or on behalf of the Company: And whereas a large part of the same lands and hereditaments has been appropriated and is now used by the Company for the purposes of their railway, docks, and works, and other parts thereof have been sold and conveyed to various purchasers, and some parts thereof have been leased by the said Duke of Devonshire and James Ramsden as trustees for and on behalf of the Company, and in some of such leases power is reserved to resume possession of the lands thereby leased in case the said lands shall be required for the purposes of the said railway and works, and the Company are desirous and it is expedient that the following provisions should be made with respect to the said lands and hereditaments: Be it therefore enacted as follows; (that is to say,)

Trustees to convey lands to Company, &c.

(1.) All sales, conveyances, and leases of any portions of the said lands and hereditaments made, entered into, or agreed upon before the passing of this Act shall be and the same are hereby confirmed, and the said Duke of Devonshire and James Ramsden shall execute to the purchasers and lessees with whom any agreements have been entered into, and to whom conveyances or leases have not yet been granted, the necessary deeds for giving effect to any such sales or leases, and the said Duke of Devonshire and James Ramsden shall convey the residue of such lands and hereditaments to the Company, and it shall be lawful for the Company to hold all such lands and hereditaments:

Company may grant building leases of such lands.

(2.) With respect to any part of such lands and hereditaments which shall not be required for the purposes of the Company, it shall be lawful for the Company, when and as they shall think fit, either to sell and dispose of the same, or any part or parts thereof, or to demise and lease all or any part or parts of such lands and hereditaments, either with or without any easements, rights, or privileges which the Company may have power to grant to be exercised or enjoyed in, over, or upon any lands not included in such lease, to any person or persons who shall be willing to erect thereon any house or building, or to rebuild or repair any house or building then standing thereon, or otherwise to improve the property comprised in such lease, for such term of years and under such conditions as the Company may think fit, and either at a rent or without any rent, but so that in every such demise or lease there be contained a covenant for payment of the rent (if any) thereby reserved, and also such other covenants on the part of the

tenant or lessee therein to be named as the Company shall reasonably require; and also, if the Company so think fit, a clause requiring the tenant or lessee before commencing any permanent erection or building on any land to submit plans and elevations and specifications of such erection or building to the Company, or to any local or other authority, or to any person or persons, and to obtain the sanction and approval of the Company, or of such authority or person or persons thereto:

Power to enter into agreements for granting leases.

(3.) Previously to the granting of any such lease or leases the Company may enter into any agreement for the granting of the same on such terms and conditions as they may think fit, and in the granting of the leases to which such agreements relate may alter the amount of the rents specified in such agreements, and may apportion the same and grant separate leases of any part of the premises by such agreements agreed to be leased as they may think fit, and may also, as they may think fit, alter or rescind any such agreements as aforesaid, and may accept a surrender of any lease actually granted for the purpose of granting separate leases of the same premises, or otherwise at apportioned rents, or under different covenants, and may, if they think fit, accept any fine in gross as a consideration for such lease or agreement for a lease:

Power to Company to sell the fee simple and inheritance of lands comprised in such lease.

(4.) Within the period of ten years from the passing of this Act the Company shall and they are hereby authorized and required to sell and dispose of the fee simple and inheritance of the land so leased or demised, or agreed to be leased or demised, and of the houses and other buildings thereon, and of all other the lands so to be conveyed to them by the said Duke of Devonshire and James Ramsden as aforesaid, either together or in parcels, by public auction or private contract, for such prices or sums of money as the Company shall think fit, and subject to such covenants, restrictions, stipulations, rights, easements, conveniences, and other provisions as to the enjoyment thereof, and as to the nature of the buildings which are to be erected and built or maintained thereon, and also subject to such stipulations as to the title to be deduced to the hereditaments to be sold, as the Company shall think fit; and the Company shall at the cost and charge of every purchaser of the same premises respectively, or if so agreed upon payment of the sum or sums of money agreed to be given for the same respectively to the Company, convey and assure the land and hereditaments so purchased by such purchaser, together

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with the houses, erections, and buildings then erected and built or to be erected and built thereon respectively, and the fee simple and inheritance thereof, with the appurtenances, to such purchaser, his heirs and assigns, or as he or they shall in that behalf direct, free from all incumbrances, except the building lease or leases, or agreement or agreements, to be granted or entered into by virtue of this Act; and all leases, agreements, and conveyances which shall be made pursuant to the authority by this Act vested in the Company shall be adjudged sufficient to vest such estate and interest in the lessee or purchaser as shall have been agreed for, or as shall be expressed or intended to be granted, created, or conveyed by the lease, agreement, or conveyance:

Power to appropriate lands for open spaces, and otherwise to improve the same.

(5.) It shall be lawful for the Company, with a view to any intended sale or sales of the said lands under the authority of this Act, by means and out of the revenues of the Company, to set out, allot, and appropriate any part or parts of such last-mentioned lands as and for open spaces, ways, roads, passages, drains, sewers, watercourses, or other works of accommodation and convenience, either to be dedicated to the public or not, and to divide such lands into such lots and in such manner as the Company shall deem most conducive to the general benefit of the property, and also to fence and enclose all or any of the lots into which the said lands shall be so divided as aforesaid; and also to grub up, cut, and take down all or any of the hedges, fences, timber, and other trees and underwood growing and standing on the said lands, or on any part or parts thereof; and also to take down and remove any of the houses, buildings, and erections which may be standing on the said lands, and to sell and dispose of, either together or in parcels, and either by public auction or private contract, all or any of the materials of all or any of the houses, buildings, hedges, fences, and erections which shall be so taken down and removed; and also all or any of the said timber and other trees and underwood which shall be so cut down; and also to level all or any part of the said lands, and remove, fill up, arch over, cover in, stop, and divert any mounds, pits, dykes, ditches, ponds, drains, or watercourses in or upon the said lands, and generally from time to time, with such view as aforesaid, to manage, alter, and improve the said lands or any of them, or any part thereof, in such manner as the Company shall think fit:

Application of monies arising from sale of lands.

(6.) The Company shall apply to the general purposes of the Company all the monies arising by any such sale or disposition respectively as aforesaid, after paying all expenses incident to such sales or dispositions, and satisfying all lawful demands to which the lands and premises so respectively sold or disposed of shall be liable:

Provided always, that, except as is by this section otherwise expressly provided, nothing in this section contained shall take away, lessen, alter, or prejudice any estate, right, title, interest, claim, or demand whatsoever which any person had before the passing of this Act, or could or might have had or enjoyed in case this Act had not been passed, with respect to such lands and hereditaments or any part thereof.

Saving of rights.

22. Except as is by this Act expressly provided, nothing in this Act shall take away, lessen, alter, or prejudice any of the estates, rights, interests, powers, or privileges of the Company.

No interest or dividend to be paid out of capital.

23. The Company shall not, out of any money by any Act relating to the Company authorized to be raised by calls in respect of shares or by borrowing, pay to any shareholder interest or dividend on the amount of calls made in respect of the shares held by him: Provided always, that the Company may pay to any shareholder such interest on money advanced by him beyond the amount of the calls actually made as shall be in conformity with the provisions in "The Companies Clauses Consolidation Act, 1845," in that behalf mentioned.

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

24. The Company shall not, out of any money by any Act authorized to be raised by the Company, pay or deposit any sum of money which, by any standing order of either House of Parliament from time to time 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 make any other railway, or to execute any other work or undertaking.

Railway, &c. not exempt from provisions of present and future general Acts.

25. Nothing in this Act contained shall exempt the railways of the Company from the provisions of any general Act relating to railways, or to 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, nor from any future revision and alteration, under the authority of Parliament, of the maximum rates of fares and charges, or of the rates for small parcels, in respect of the railways authorized by this or any other Act relating to the Company.

Expenses of Act.

26. All the costs, charges, and expenses of applying for, obtaining, and passing this Act, or preparatory or incidental thereto, shall be paid by the Company.

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The SCHEDULE referred to in the aforegoing Act.

AN AGREEMENT made and entered into this 12th day of March 1869, between THE WINDERMERE UNITED STEAM YACHT COMPANY, LIMITED (herein-after called the Yacht Company) of the one part, and THE FURNESS RAILWAY COMPANY (herein-after called the Railway Company) of the other part. The said Companies mutually agree as follows; namely,

1. For the purposes of this agreement the word "traffic" shall mean and include all passengers, goods, and parcels, minerals and live stock arising at and from all present and future stations on Windermere Lake.

2. The present capital of the Yacht Company shall be taken at the sum of 9,988*l.*, namely, of 5,788*l.* consolidated stock, and 840 shares of 5*l.* each, upon each of which only 2*l.* 15*s.* has been paid, leaving 2*l.* 5*s.* to be called up.

3. The Railway Company, under the powers conferred upon them by the Act authorizing the construction of a line of railway from Ulverstone to Windermere Lake, shall be entitled to subscribe to the Yacht Company, as part of its capital, so much money as the directors of the Yacht Company may deem necessary fully to carry out the objects of the undertaking, not exceeding in the whole the sum of 10,000*l.*, the shares representing such last-mentioned capital to be issued under resolutions of the Yacht Company, to be passed for that purpose, and to be registered in the name or names of one or more of the nominee or nominees of the Railway Company.

4. The capital represented by such last-mentioned shares shall be called for at such times and in such sums as the directors of the Yacht Company, to be appointed as provided for in clause 6 of this agreement, may from time to time determine; but so much of the capital as shall prior to the date of this agreement have been expended by the Railway Company, or which the Railway Company shall hereafter pay for the building or purchase of a steamboat, shall be deemed to be properly advanced within the meaning of this clause, the said boat becoming the property of the Yacht Company.

5. The capital to be raised as last provided for shall be applied, at the discretion of the directors for the time being of the Yacht Company, in purchasing boats, or otherwise in furthering the objects of the Yacht Company.

6. The number of directors of the Yacht Company shall be four, two of whom shall be elected from time to time by the Yacht Company, and two by the Railway Company; one of the two directors elected by the Yacht Company shall in each year retire from office, but shall be eligible for re-election; the two directors elected by the Railway Company shall remain in office until they shall be displaced by the directors of the Railway Company, or until they shall resign, in which case the vacancies in the office caused thereby shall be supplied by the directors of the Railway Company.

7. All the officers and servants of the Yacht Company shall from time to time be appointed and discharged by the directors of the Yacht Company for the time being, except the auditor, who shall be appointed at a public meeting of the Company.

8. The Railway Company shall not at any time hereafter establish a line of boats, or do any act, either directly or indirectly, to navigate the lake in opposition to or independently of the Yacht Company, and the Yacht Company shall not enter into any arrangements whatever with any other Railway Company without the consent of the Railway Company.

9. The directors of the Yacht Company, to be appointed as herein-before provided, shall have the conduct of the affairs of the Company and the regulation of all matters relating to the proper conduct of the traffic, and shall have power from time to time to appoint one of the two directors nominated by the Railway Company to be the managing director of the Yacht Company, but the directors of the Yacht Company shall not expend at any one time any larger sum of money than 1,000*l.* in the purchase of a new boat, or in the erection of additional station accommodation, without a vote of the shareholders authorizing such expenditure to be passed at a general or extraordinary meeting of the Yacht Company.

10. All the proceeds to be derived from the traffic shall be carried to a common fund, and thereout shall be paid the wages and salaries of the officers and servants of the Yacht Company, the cost of fuel, stores, and ordinary repairs of boats and stations, and all other expenses incident to or incurred in conducting the traffic of the lake, or otherwise in relation to the affairs of the Yacht Company, and the surplus then remaining shall be applied as follows; namely, 1st, in payment of any premium which may from time to time be necessary for effecting an insurance of the boats or other property of the Yacht Company; 2nd, in payment from time to time of such an annual sum of money as shall be agreed upon between the directors of the Yacht Company and of the Railway Company as a fair equivalent for the use of the landing-stage and waiting-room at the terminus of the railway; 3rd, in setting apart such a sum of money as the directors of the Yacht Company may deem sufficient to provide the means of replacing any boats which from length of service, or any other cause, may require to be renewed so as to keep up the full efficiency of the service; 4th, in payment of a preferential dividend of 7½ per cent. upon the sum of 9,988*l.*, the present capital of the Yacht Company, subject nevertheless to the proviso herein-after contained; 5th, in payment of a further preferential dividend of 7½ per cent. upon the capital to be raised by the Railway Company and advanced to the Yacht Company as aforesaid, and, subject as aforesaid, the profits shall be applied in payment of a proportionate dividend upon the whole capital of the Yacht Company: Provided, nevertheless, that the season during which the Yacht Company shall run their boats shall be limited to the period between the 1st day of May and the 15th day of October in each year; but it shall be competent for the Railway Company to require the Yacht Company from time to time to run their boats at such times and for such trips as they may deem necessary for the full development of the traffic of the railway, but in case in any one year in which the Railway Company shall have made any such requisition the profits of the Yacht Company shall not amount to the sum

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necessary to pay the first preferential dividend to the Yacht Company, the Railway Company shall, out of their own funds, make good the deficiency, so as in that event to secure such preferential dividend.

11. In estimating the dividend upon the sum of 9,988*l.*, the present capital of the Yacht Company, a deduction of 5 per cent. shall be made upon the sum of *2l. 5s.* per share, or upon such other sum or sums of money as may for the time being remain uncalled upon the 840 shares before referred to, but it shall be competent for the two directors representing the Railway Company to require that such uncalled capital be paid up, and after such payment shall have been made the deduction before referred to shall cease as and from the time of such payment.

12. The term "the Yacht Company" shall include the Windermere United Steam Yacht Company and their successors and assigns, and the term "the Railway Company" shall include the Furness Railway Company and their successors and assigns.

As witness the respective common seals of the said Companies the day and year first above written.

The common seal of the within-named Windermere United Steam Yacht Company (Limited) was affixed in the presence of me

S. N. BRAITHWAITE,
Clerk to Messrs. Harrison and Son,
Solicitors, Kendal.

L.S.

The common seal of the Furness Railway Company was affixed to the within-written deed in the presence of

WILLIAM CURREY,
14, Great George Street.

L.S.

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