CHAPTER cxxxiv.

An Act to enable the Grand Junction Waterworks Company to raise further moneys, and to amend in certain respects the Acts relating to that Company. [4th July 1878.]

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WHEREAS the following local and personal Acts (in this Act referred to collectively as "the recited Acts") have been passed relating to the Grand Junction Waterworks Company (in this Act called "the Company"); that is to say,

51 George III., cap. 169, in this Act called "the Act of 1811;"
56 George III., cap. 4;
59 George III., cap. 111;
7 George IV., cap. 140, in this Act called "the Act of 1826;"
5 & 6 William IV., cap. 95;
7 & 8 Victoria, cap. 30;
15 & 16 Victoria, cap. 157 (the Grand Junction Waterworks Act, 1852), in this Act called "the Act of 1852;"
18 Victoria, cap. 21 (Grand Junction Waterworks Act, 1855), in this Act called "the Act of 1855;"
19 & 20 Victoria, cap. 116 (Grand Junction Waterworks Act, 1856);
24 & 25 Victoria, cap. 151 (Grand Junction Waterworks Act, 1861), in this Act called "the Act of 1861;"
31 Victoria, cap. 5 (Grand Junction Waterworks Act, 1868), in this Act called "the Act of 1868;"
36 Victoria, cap. 45 (the Grand Junction Waterworks Act, 1873):

And whereas by the Act of 1852 the limits for the supply of water by the Company are defined, and include the parishes and places of Paddington, Saint Mary Abbots Kensington, Saint Marylebone, Saint George Hanover Square, Saint James Westminster, Hammersmith, Brentford, and Ealing:

And whereas by the Act of 1861 it was (section 2) enacted that the limits within which the Company might supply water were by that Act extended so as to comprise the following parishes or

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places in addition to the Company's then district; that is to say, Chiswick, Acton, Isleworth, Twickenham, Teddington, Hampton, Hampton Wick, Hampton Court, Bushy Park, Whitton, and Hanworth, all in the county of Middlesex; provided that those limits should not comprise certain parts therein specified of the parishes of Isleworth and Ealing:

And whereas it is expedient that the Company's limits of supply be extended so as to include the whole of the said parishes of Isleworth and Ealing, and the parishes of Hanwell and Heston, in the county of Middlesex:

And whereas by the Act of 1855 the capital of the Company was fixed at the sum of £850,000, consisting of—

	£
Their then share capital - - -	500,000
New capital authorised by that Act - -	200,000
Amount authorised to be raised on mortgage -	150,000
	£850,000

And by section 6 of the Act it was declared that the prescribed rate of profit of the Company should be as follows: as regards the sum of £546,000 (the amount which immediately before the passing of that Act the Company were authorised to raise), £10 in the hundred by the year, and as regards the residue of their capital, £7 10*s.* in the hundred by the year:

And whereas by the Act of 1868 the Company were authorised to raise by shares the further sum of £300,000 (to rank as part of the original capital of the Company), and to borrow on mortgage (including the sum of £150,000 which they were then authorised to borrow on mortgage) sums not exceeding in the whole £250,000:

And whereas the Company require and it is expedient that they be authorised to raise further moneys for the general purposes of their undertaking:

And whereas the provisions of the recited Acts with respect to the qualification, powers, and proceedings of directors, and with respect to the meetings of proprietors of the Company and the voting thereat, are in some respects of doubtful construction, and in others inconvenient, and it is expedient that other and better provision be made with reference to the matters aforesaid:

And whereas it is expedient that provision be made for the appointment of auditors of the Company:

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:

Short title.

1. This Act may be cited for all purposes as the Grand Junction Waterworks Act, 1878.

Construction of Acts.

2. The recited Acts, as respectively amended by any subsequent Act or by this Act, shall be construed as one Act with this Act, and be carried into effect accordingly.

Incorporation of general Acts. 8 & 9 Vict. c. 16.

3. The provisions of the Companies Clauses Consolidation Act, 1845, with respect to—

The distribution of the capital of the Company into shares;

The transfer or transmission of shares;

The payment of subscriptions and the means of enforcing the payment of calls;

The forfeiture of shares for non-payment of calls;

The remedies of creditors of the Company against the shareholders;

The consolidation of the shares into stock; and

The provision to be made for affording access to the special Act by all parties interested;

and Part I. (relating to cancellation and surrender of shares), and Part II. (relating to additional capital), and Part III. (relating to debenture stock) of the Companies Clauses Act, 1863, as amended by the Companies Clauses Act, 1869, and the Waterworks Clauses Acts, 1847 and 1863, are (except where expressly varied by this Act) incorporated with and form part of this Act.

26 & 27 Vict. c. 118. 32 & 33 Vict. c. 48. 10 & 11 Vict. c. 17. 26 & 27 Vict. c. 93.

Company's limits of supply extended.

4. The limits of the Company for the supply of water are hereby extended so as to include the whole of the parishes of Isleworth and Ealing, and the parishes of Hanwell and Heston, all in the county of Middlesex, and the Company within those extended limits shall have and may exercise the same rights, powers, and privileges, and may demand and take the same rates and charges for the supply of water or otherwise, and shall be subject to the same obligations, as they now have or may exercise, or may demand and take, or are subject to within their limits of supply as defined by the Acts of 1852 and 1861.

Power for Company to raise further capital. 26 & 27 Vict. c. 118.

5. The Company from time to time may (subject to the provisions of Part II. of the Companies Clauses Act, 1863) raise any additional capital, not exceeding in the whole three hundred thousand pounds, by the issue at their option of new ordinary shares or stock,

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or new preference shares or stock, or wholly or partly by any one or more of those modes respectively; but the Company shall not issue any share of less nominal value than ten pounds, nor shall any share vest in the person or corporation accepting the same unless and until a sum not being less than one fifth of the amount of such share shall have been paid in respect thereof.

New shares or stock to be subject to same incidents as other shares or stock.

6. Subject to the provisions of this Act, the capital in new shares or stock created by the Company under this Act, and the new shares or stock therein and the holders thereof respectively, shall be subject and entitled to the same powers, provisions, liabilities, rights, privileges, and incidents whatsoever in all respects as if that capital were part of the now existing capital of the Company of the same class or description, and the new shares or stock were shares or stock in that capital. The capital in new shares or stock so created shall form part of the capital of the Company.

Dividends on new shares or stock.

7. Subject to the provisions of this Act, every person who becomes entitled to new shares or stock shall in respect of the same be a holder of shares or stock in the Company, and shall be entitled to a dividend with the other holders of shares or stock of the same class or description proportioned to the whole amount from time to time called and paid on such new shares, or to the whole amount of such stock, as the case may be.

As to votes in respect of preferential shares or stock.

8. Except as otherwise expressly provided by the resolution creating the same, no person shall be entitled to vote in respect of any new shares or stock to which a preferential dividend shall be assigned.

New shares or stock to be offered by auction or tender.

9. Notwithstanding anything in this Act contained, the Company shall, when any shares or stock created under the powers of this Act are to be issued, and before offering the same to the holder of any other shares or stock in the Company, and whether the ordinary shares or ordinary stock of the Company are or is at a premium or not, offer the same for sale by public auction or by tender, in such manner, at such times, and subject to such conditions of sale, as the Company shall from time to time determine: Provided that at any such sale the reserved price put upon such shares or stock shall not be less than the nominal amount thereof, and notice of the amount of such reserved price shall be sent by the Company in a sealed letter to the Board of Trade not less than twenty-four hours before the day of auction or the last day for the reception of tenders, as the case may be, and such letter may be opened after such day of auction or last day for the reception of tenders, and not sooner;

and provided that no priority of tender shall be allowed to any holder of shares or stock in the Company.

Purchase money to be paid within three months.

10. It shall be one of the conditions of any sale of shares or stock under this Act that the whole nominal amount thereof, together with any premiums given by any purchaser at such sale, shall be paid to the Company within three months after such sale.

Notice to be given as to sale, &c. of shares or stock.

11. The intention to sell any such shares or stock by auction or by tender shall be communicated in writing to the clerk of the Metropolitan Board of Works and to the secretary of the Committee of the London Stock Exchange at least twenty-eight days before the day of auction or the last day for the reception of tenders, as the case may be, and notice of such intention shall be duly advertised four times during such period in two or more London daily newspapers.

Shares or stock not sold by auction or tender to be offered to share or stock holders. 26 & 27 Vict. c. 118.

12. When any shares or stock created under the powers of this Act have been offered for sale by auction or tender and not sold, the same shall be offered, at the reserved price put upon the same respectively for the purpose of sale by auction or tender, to the holders of ordinary shares or ordinary stock in the Company, in manner provided by the Companies Clauses Act, 1863: Provided always, that any shares or stock so offered and not accepted within the time prescribed by the said Act shall again be offered for sale by public auction or by tender, in the manner and subject to the provisions of this Act with respect to the sale of shares and stock created under the powers of this Act.

Application of premium arising on issue of shares or stock.

13. Any sum of money which shall arise from the issue of any shares or stock by way of premium, after deducting therefrom the expenses of and incident to such issue, shall not be considered as profits of the Company, but shall be expended in extending and improving the works of the Company, or in paying off money borrowed or owing on mortgage by the Company, and shall not be considered as part of the capital of the Company entitled to dividend.

Power to borrow on mortgage.

14. The Company may, in respect of the additional capital of three hundred thousand pounds which they are by this Act authorised to raise, from time to time borrow on mortgage any further sum not exceeding in the whole seventy-five thousand pounds, and of that sum they may borrow not exceeding fifteen thousand pounds in respect of each sixty thousand pounds of their said additional capital; but no part of any such sum of fifteen thousand pounds shall be borrowed until shares for so much of the sixty thousand pounds of additional capital in respect of which it is to be borrowed

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as is to be raised by means of shares are issued and accepted, and one half of such portion of capital is paid up, and the Company have proved to the justice who is to certify under the 40th section of the Companies Clauses Consolidation Act, 1845, before he so certifies, that shares for the whole of such portion of capital have been issued and accepted, and that one half of such portion of capital has been paid up, and that not less than one-fifth part of the amount of each separate share in such portion of capital has been paid on account thereof before or at the time of the issue or acceptance thereof, and until stock for one half of so much of such portion of the additional capital as is to be raised by means of stock is fully paid up, and the Company have proved to such justice as aforesaid, before he so certifies, that such shares or stock, as the case may be, were issued and accepted bonâ fide, and are held by the persons or corporations to whom the same were issued, or their executors, administrators, successors, or assigns, and also, so far as the said portion of capital is raised by shares, that such persons or corporations, or their executors, administrators, successors, or assigns, are legally liable for the same; and upon production to such justice of the books of the Company, and of such other evidence as he shall think sufficient, he shall grant a certificate that the proof aforesaid has been given, which certificate shall be sufficient evidence thereof.

8 & 9 Vict. c. 16.

As to conversion of borrowed money into capital.

15. The Company shall not have power to raise the money by this Act authorised to be borrowed on mortgage, or any part thereof, by the creation of shares or stock instead of borrowing, or to convert into capital the amount borrowed under the provisions of this Act, unless in either case all dividends upon such shares or stock, whether ordinary or preferential, are limited to a rate not exceeding five pounds per centum per annum.

Limit of dividends on new ordinary shares and stock.

16. The Company shall not, out of the profits of their undertaking in any one year ending the thirtieth day of September, make any larger dividend on the additional share capital to be raised under the powers of this Act than seven pounds in respect of every one hundred pounds actually paid up of such capital as shall be issued as ordinary capital, or six pounds in respect of every one hundred pounds actually paid up of such capital as may be issued as preference capital.

Provision if profits insufficient to pay in full prescribed dividends.

17. If in any one year ending the thirtieth day of September the net revenues of the Company applicable to dividend shall be insufficient to pay the full amount of the prescribed rate of dividend on each class of ordinary stock or shares in the capital of the Company, such revenues shall be applied in the first place in payment

of dividend on all the ordinary capital of the Company up to the rate of seven pounds per centum in respect of every sum actually paid up of such capital, and next in payment of a further dividend up to ten shillings per centum in respect of every sum actually paid up of all the ordinary capital of the Company created under the powers of any former Acts relating to the Company, and the balance in payment of dividend upon all ordinary capital of the Company actually paid up and entitled to a higher rate of dividend than seven pounds ten shillings per centum.

Repealing provisions of former Acts as to receiver.

18. The provisions of all former Acts relating to the Company for the appointment of a receiver are hereby repealed, but without prejudice to any appointment heretofore made or proceedings now pending.

As to appointment of a receiver.

19. The mortgagees of the Company may enforce payment of arrears of interest or principal, or principal and interest, due on their mortgages by the appointment of a receiver. In order to authorise the appointment of a receiver in respect of arrears of principal, the amount owing to the mortgagees by whom the application for a receiver is made shall not be less than ten thousand pounds in the whole.

Debenture stock. 26 & 27 Vict. c. 118. 32 & 33 Vict. c. 48.

20. The Company may create and issue debenture stock, subject to the provisions of Part III. of the Companies Clauses Act, 1863, as amended by the Companies Clauses Act, 1869; but, notwithstanding anything therein contained, the interest of all debenture stock at any time after the passing of this Act created and issued by the Company shall rank pari passu with the interest of all mortgages at any time after the passing of this Act granted by the Company, and shall have priority over all principal moneys secured by such mortgages.

Existing mortgages to have priority.

21. All mortgages granted by the Company in pursuance of the powers of any Act of Parliament before the passing of this Act, and subsisting at the passing hereof, shall, during the continuance of such mortgages and subject to the provisions of the Acts under which the same were respectively granted, have priority over any mortgages granted by virtue of this Act, but nothing in this section contained shall affect any priority of the interest of any debenture stock at any time created and issued by the Company.

As to priority of mortgages and debenture stock.

22. All money to be raised by the Company on mortgage or debenture stock under the provisions of this Act shall have priority against the Company, and the property from time to time of the Company, over all other claims on account of any debts incurred or

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engagements entered into by them after the passing of this Act: Provided always, that this priority shall not affect any claim against the Company or their property in respect of any rentcharge granted or to be granted by them in pursuance of the Lands Clauses Consolidation Act, 1845, or the Lands Clauses Consolidation Acts Amendment Act, 1860, or in respect of any rent or sum reserved by or payable under any lease granted or made to the Company, in pursuance of any Act relating to the Company, which is entitled to rank in priority to or pari passu with the interest or dividend on their mortgage or debenture stock.

8 & 9 Vict. c. 18.
23 & 24 Vict. c. 106.

Application of moneys raised under this Act.

23. All moneys raised under this Act, whether by shares, stock, debenture stock, or borrowing, shall be applied for purposes only of this Act or of the recited Acts relating to the Company.

Qualification of future directors.

24. From and after the passing of this Act no person shall be capable of being elected or re-elected a director of the Company unless he—

(A.) Be a proprietor of the Company;

(B.) Be possessed in his own right of shares or stock (other than debenture stock) of the Company, or both, whereon one thousand pounds at the least has been paid; and

(C.) Have held such shares or stock, or both, in his own right for twelve calendar months at the least immediately preceding his election or re-election.

Repealing certain provisions of recited Acts.

25. The following sections and provisions of the recited Acts are hereby repealed; that is to say,

Sections 18 and 21 of the Act of 1811;

So much of section 19 of the Act of 1811 as (A.) defines or declares the number of votes to which proprietors shall be entitled at assemblies or meetings of the Company, and (B.) provides that no person shall give or deliver in proxies for more than two hundred shares, and (C.) requires or implies that in the case of joint proprietors of shares the appointment of a proxy must be under the hand of all such joint proprietors;

Section 18 of the Act of 1852;

Sections 20 and 21 of the Act of 1855; and

Section 7 of the Act of 1861.

Notice of candidature for office of director.

26. From and after the passing of this Act, except in the case of a director retiring by rotation and offering himself or being proposed for re-election, no proprietor shall be capable of being elected a director of the Company in place either of a director retiring by rotation, or of a director dying, refusing to act, or ceasing to be

qualified or being disqualified to act, unless notice in writing shall have been given to the secretary or chief clerk for the time being of the Company, or left at the office of the Company, twenty-eight days at least before the day of election, that such proprietor intends to offer himself or will be proposed for the office of director.

Directors retiring by rotation to continue until successors are appointed.

27. Notwithstanding anything contained in any of the recited Acts, any director of the Company retiring by rotation, being neither removed nor disqualified, nor having resigned, shall continue to be a director, and may act and shall retain his powers, until a new director be duly elected in his stead.

Votes at general meetings.

28. From and after the passing of this Act, notwithstanding anything contained in any previous Act or Acts relating to the Company, every proprietor of the Company shall be deemed, for the purposes of voting at general assemblies or meetings of the Company, to be a proprietor of one share of fifty pounds in respect of every sum of fifty pounds paid up by him on the shares held by him, and shall in respect thereof have the same right as, but no further or other right of voting than if he were a proprietor of a share of fifty pounds created under the Act of 1811: Provided always, that no proprietor shall be entitled to vote at any meeting unless he shall have paid all the calls then due upon the shares held by him. Holders of stock (other than debenture stock) of the Company shall have in respect of every fifty pounds thereof, at all meetings of the Company, the same right of voting as, but no further or other right of voting than would be conferred by shares upon which that amount had been paid up.

Votes of joint share and stock holders.

29. If several persons be jointly entitled to the same share or to the same portion of stock, the person whose name stands first in the register of shareholders or of stockholders as one of the holders of such share or portion of stock shall, for the purpose of voting at any general meeting, be deemed the sole proprietor thereof, and on all occasions the vote of such first-named holder, either in person or by proxy, shall be allowed as the vote in respect of such share or portion of stock, without proof of the concurrence of the other holder or holders thereof, or notwithstanding their dissent.

As to proxies.

30. No person shall be entitled to vote at any meeting as a proxy unless the instrument appointing such proxy shall have been transmitted to the secretary of the Company not less than forty-eight hours before the time appointed for holding the meeting at which the proxy is to be used.

Chairman at meetings to have a casting vote.

31. Any person lawfully presiding at a meeting of the Company shall be entitled not only to vote as a principal and proxy, but to have a casting vote if there be an equality of votes.

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Proof of a particular majority of votes only required if a poll be demanded.

32. Whenever, in any Act relating to the Company, the consent of any particular majority of votes at any meeting of the Company is required in order to authorise any proceeding of the Company, such particular majority shall only be required to be proved in the event of a poll being demanded at such meeting, and if such poll be not demanded, then a declaration by the chairman that the resolution authorising such proceeding has been carried, and an entry to that effect in the book of proceedings of the Company, shall be sufficient authority for such proceeding, without proof of the number or proportion of votes recorded in favour of or against the same.

As to extraordinary meetings.

33. Any twenty of the proprietors holding in the aggregate shares or stock, or both, of the Company on which fifty thousand pounds at the least has been paid up may, by writing under their hands, require the directors to call an extraordinary meeting of the Company, and such requisition shall fully express the object of the meeting required to be called, and shall be left at the office of the Company, or given to at least three directors, or left at their last or usual places of abode, and forthwith upon the receipt of such requisition the directors shall convene a meeting of the proprietors; and if for twenty-one days after such requisition the directors fail to call such meeting, any twenty proprietors qualified as aforesaid may call such meeting by giving fourteen days notice at least thereof by advertisement in one or more of the London daily newspapers, specifying the place, the day, and the hour of meeting, and the purpose for which the meeting is called.

Amendment of s. 24 of Act of 1826, as to time and place of meeting.

34. From and after the passing of this Act, section 24 of the Act of 1826 shall be read and have effect as if, instead of the words "shall and may be holden on the second Thursday in those months, "between the hours of eleven in the forenoon and two in the "afternoon, at such place or places," there were inserted the following words; (that is to say,) "shall be held in the months of "June and December in each year, or at such other stated periods "as shall be appointed for that purpose by an order of a general "meeting, and at such hour and at such place as shall be prescribed "by any such order, or if no place be so prescribed, then at some "place to be appointed by the directors, and such meeting shall be "called and held."

Quorum for meetings of the Company.

35. From and after the passing of this Act, in order to constitute any ordinary or special general meeting, or any extraordinary meeting of the Company, there shall be, and it shall be sufficient if there be, present in person or by proxy at least twenty proprietors holding shares or stock (other than debenture stock) of

the Company whereon fifty thousand pounds at the least has been paid up.

Officers in future to be appointed by directors.

36. From and after the passing of this Act, notwithstanding anything contained in section 22 of the Act of 1811, but without prejudice to any nomination or appointment already made, the power of nominating and appointing and removing the several officers of the Company mentioned in that section shall be exclusively vested in and may be exercised by the directors, who may take such security from the respective officers for the due execution of their respective offices, and (except as herein-after mentioned) may grant to them respectively such salary or compensation, as the directors shall think proper, and so much of section 23 of the Act of 1811 as provides that any such appointment by the directors as therein mentioned shall only continue until the next general or special general assembly of the proprietors is hereby repealed: Provided always, that the remuneration of any treasurer or clerk of the Company shall be fixed and granted only at a general meeting of the Company.

Election of auditors.

37. The Company, if they think fit, may at the first ordinary meeting after the passing of this Act, or at any subsequent ordinary meeting, elect one auditor or two auditors, and at the first ordinary meeting of the Company in each year after that at which an auditor or auditors shall have been so elected the Company shall in like manner elect an auditor to supply the place of the auditor then retiring from office, according to the provision herein-after contained, and every auditor elected as herein-before provided, being neither removed nor disqualified, nor having resigned, shall continue to be an auditor until another be elected in his stead.

Remuneration of auditors.

38. The Company may, if they think fit, at the meeting at which the first auditor or auditors are elected, or at any subsequent ordinary meeting, determine, and may at any subsequent ordinary meeting vary, the remuneration (if any) to be paid to the auditor or auditors, but no such variation shall apply except in the case of an auditor appointed at or subsequent to such meeting.

Qualification of auditors.

39. Every auditor so appointed shall have at least one share or stock to the amount of fifty pounds of the Company, and he shall not hold any other office in the Company, nor be in any other manner interested in its concerns except as a shareholder.

Rotation of auditors.

40. The auditor or (as the case may be) one of the auditors (to be determined in the first instance by ballot between themselves, unless they shall otherwise agree, and afterwards by seniority) shall go out of office at the first ordinary meeting in each year; but the

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auditor so going out shall be immediately re-eligible, and after any such re-election shall, with respect to the going out of office by rotation, be deemed a new auditor.

Vacancies in office of auditor.

41. If any vacancy take place in the office of auditor in the course of any current year, then, at any general meeting of the Company, the vacancy may, if the Company think fit, be supplied by election of the shareholders.

Failure of meeting to elect auditor.

42. The provision of the recited Acts respecting the failure of an ordinary meeting at which directors ought to be chosen shall apply, mutatis mutandis, to any ordinary meeting at which an auditor ought to be appointed.

Directors to deliver balance sheet, &c. to auditors.

43. The directors shall deliver to the auditor or auditors the half-yearly or other periodical accounts and balance sheet fourteen days at least before the ensuing ordinary meeting at which the same are required to be produced to the shareholders as herein-after provided.

Auditors to examine accounts.

44. It shall be the duty of the auditor or auditors to receive from the directors the half-yearly or other periodical accounts and balance sheet required to be presented to the shareholders, and to examine the same.

Powers of auditors.

45. It shall be lawful for the auditor or auditors to employ such accountants and other persons as he or they may think proper at the expense of the Company, and he or they shall either make a special report on the said accounts or simply confirm the same, and such report or confirmation shall be read together with the report of the directors at the ordinary meeting.

Fourteen days notice of future meetings to be sufficient.

46. Where by any of the recited Acts notice is required to be given by advertisement in a newspaper of any meeting of the Company, it shall be sufficient if such notice be given fourteen days at the least before the day of meeting, notwithstanding that a longer notice may be required in any such case by any of the said Acts.

Company not exempt from provisions of 15 & 16 Vict. c. 84., 34 & 35 Vict. c. 113., or any future general Act.

47. This Act, or anything therein, shall not exempt the undertaking of the Company, or the Company in respect thereof, from the provisions of the Metropolis Water Act, 1852, or the Metropolis Water Act, 1871, or any general Act to be hereafter passed with respect to the water companies of the Metropolis.

Expenses of Act.

48. All costs, charges, and expenses of and incident to the preparing and applying for and the obtaining and passing of this Act shall be paid by the Company.

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