CHAPTER cvii.

An Act to enable the Great North of Scotland Railway Company to convert certain Arrears of Dividend into Capital; and for other purposes. [7th July 1873.]

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WHEREAS the Great North of Scotland Railway Company (in this Act called "the Company") have from time to time had powers conferred upon them by various Acts, and amongst them those described in the schedule to this Act:

And whereas the total share and loan capital of the Company is by the Act of 1867 declared to be three million four hundred and nineteen thousand three hundred and sixty-two pounds, whereof two million five hundred and fifty-four thousand four hundred and forty-three pounds is share, and eight hundred and sixty-four thousand nine hundred and nineteen pounds loan, capital:

And whereas part of the said share capital consists of various preference stocks, and amongst them of the following; namely,

Two hundred and ninety-one thousand and ninety pounds Great North of Scotland Railway five per cent. preference stock (in this Act referred to as five per cent. stock):

Four hundred and eighty-two thousand and fifty pounds Great North of Scotland Railway four and a half per cent. (A) preference stock (in this Act referred to as (A) stock); and

Three hundred and sixty thousand pounds Great North of Scotland Railway four and a half per cent. (B) preference stock (in this Act referred to as (B) stock):

And whereas the whole of the said first two preference stocks have been long since created and fully paid up, but only two hundred and eighteen thousand and thirty pounds of the (B) stock has been issued and paid up, leaving one hundred and forty-one thousand nine hundred and seventy pounds still unissued:

And whereas the Act of 1859 provides as regards the (A) stock, and the Act of 1862 as regards the (B) stock, that any deficiency of

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dividend in any year shall not be made up out of the profits of any subsequent year, but there is no such restriction as regards dividends on the five per cent. stock:

And whereas the Company for some years prior to 1865 were able to pay in full the dividends attached to the said respective preference stocks, and also a dividend upon their original stock; but in that year, owing to the financial position of the Company, a dividend of only one per centum per annum was paid on the (B) stock, and since then no dividend has been paid upon that stock, and until one thousand eight hundred and seventy-two the dividends paid in respect of the other two stocks fell short of the dividend to which they would otherwise have been entitled:

And whereas the affairs of the Company have been gradually improving, and in one thousand eight hundred and seventy-two they paid the dividend attached to the two last-named stocks in full, and after payment of interest upon their loan capital and other charges upon their revenue they had a surplus of four thousand five hundred and forty-three pounds two shillings and tenpence halfpenny:

And whereas on the thirty-first day of July one thousand eight hundred and seventy-two the arrears of dividend upon the five per cent. stock amounted to forty-five thousand two hundred and eighty-two pounds thirteen shillings and ninepence, but this has been reduced to forty thousand nine hundred and sixteen pounds six shillings and ninepence by payment of the sum of four thousand three hundred and sixty-six pounds seven shillings out of the said surplus in reduction of the said arrears:

And whereas all surplus revenue of the Company, after payment of dividend upon the five per cent. stock and the (A) stock, has to be applied in paying off the before-mentioned arrears before any dividend can be paid to the holders of the (B) stock or of the ordinary capital of the Company:

And whereas if the arrears had to be paid out of the net revenue of the Company the payment of any dividend upon the (B) stock would be postponed for many years:

And whereas it is expedient that the Company be authorised to convert the said arrears of dividend into stock, and that, in consideration of the advantages which the holders of the (B) stock will derive from such capitalization, the dividend upon the (B) stock should, until the year ending the thirty-first day of July one thousand eight hundred and seventy-seven be reduced from four and a half pounds per centum per annum to three pounds per centum per annum, subject in the meantime to a participation in

any excess of dividend beyond three pounds per cent. up to four and a half pounds per cent. paid to the ordinary shareholders:

And whereas the Act of 1862, under which the (B) stock was created, provides (section 15) that "if any preference or priority "of dividend be attached to the shares, then the proprietors thereof "shall be entitled to such votes in respect thereof as shall be "determined by the general meeting in pursuance of whose vote the "same shares shall be issued:"

And whereas at the meeting when such preference capital was authorised nothing was said as to the right of voting, and the holders of the said stock have no such right, and are the only shareholders of the Company in that position, and it is reasonable that they should, subject to the provisions of this Act, have such right:

And whereas the conversion of the before-mentioned arrears of dividend by this Act authorised has been unanimously agreed to at meetings separately held of each class of shareholders in the Company, which meetings were specially called, and with due notice of the business to be transacted thereat:

And whereas the amount of capital which the Company are authorised to create and issue, but which they have not hitherto raised, amounts to two hundred and twelve thousand three hundred and thirty-four pounds, whereof one hundred and forty-one thousand nine hundred and seventy pounds consists of (B) stock:

And whereas it is expedient that the Company be authorised to maintain their Peterhead Harbour Railway, which is solely used as a goods line, across and on the level of the road from Peterhead to Fraserburgh and Saint Fergus:

And whereas the objects aforesaid cannot be effected 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 as "The Great North of Scotland Railway Act, 1873."

Provisions of Acts herein named incorporated.

2. The clauses and provisions of "The Companies Clauses Consolidation (Scotland) Act, 1845,"—

With respect to the distribution of the capital of the Company into shares;

The transfer or transmission of shares;

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The giving of notices; and

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

are (so far as the same are applicable, and except where expressly varied by this Act) incorporated with and form part of this Act.

Power to convert arrears of dividend upon five per cent. stock into capital.

3. Subject to the provisions of this Act, the Company may, with the previous consent of three fourths at least of the votes of the shareholders of the Company entitled to vote, present in person or by proxy at an extraordinary meeting convened for the purpose, create new stock, and convert the before-mentioned arrears of dividend on the five per cent. stock into such new stock, such stock to be called by such name, and to entitle the holders thereof to such rate of interest not exceeding four pounds per cent. per annum, and with a preference or priority over the (B) stock and original stock of the Company, and with such other privileges, and subject to such conditions and stipulations as the meeting shall think fit; and the said stock shall be redeemed upon conditions to be stated in the resolutions creating the same and to be notified in the certificates of such stock, and the Company shall for the purpose of such redemption set apart yearly one thousand pounds out of the profits of the Company applicable to dividend upon the ordinary capital of the Company, and the Company shall from time to time apply the sums so set apart towards the redemption of the said stock so that the whole thereof may be redeemed within forty years from the time of its creation.

Reduction of unissued (B) stock.

4. The powers of the Company with regard to the creation and issue of so much of the (B) stock as has not been already created and issued shall be reduced by the amount and to the extent of the new capital by this Act authorised to be raised so long as such capital remains unredeemed.

Preferential dividend to be paid only out of profits of current year.

5. If the profits divided in respect of the first half of any year, namely, between the thirty-first day of July and the thirty-first day of January, be insufficient to pay the half year's dividend in full upon the stock by this Act authorised to be raised the deficiency may be made up out of the profits of the second half year applicable to such dividend, but no deficiency of dividend on the said stock for any year shall be made up out of the profits of any subsequent year.

When agreed to by meeting, arrears to be converted into stock.

6. From and after the day to be named in the resolutions passed at the before-mentioned extraordinary meeting the arrears of dividend shall be absolutely converted into preference stock, of such name and denomination, and entitling the holders thereof

to such rate of dividend, rights, and privileges, as shall be declared by such resolutions, and every person and corporation who at the time of such conversion shall be entitled to any part of the arrears of dividend so converted into preference stock shall thereupon become entitled to a like amount of such preference stock, and the Company shall issue certificates for such preference stock accordingly, and such preference stock shall form part of the general capital of the Company.

After notice to holders their claims for arrears to cease.

7. Within one month after the creation of such preference stock the Company shall give notice in writing to every proprietor of the five per cent. stock, stating the amount of stock into which, in conformity with the resolutions of the general meeting creating such stock, the arrears of dividend due and owing upon the five per cent. stock held by such proprietor or person up to the time named in the resolutions of such meeting have been converted, and that the Company are ready to issue certificates for such stock to the persons and corporations entitled to such arrears; and the Company shall also, within the same period, give a general notice to the like effect in two newspapers published in Aberdeen, and from and immediately after such notice the claim of every proprietor to the said arrears of dividend shall cease and determine.

Notice of appropriation of stock to be sent by post.

8. The notice to the proprietors of the five per cent. stock of the conversion of such arrears into preference stock shall be given to each proprietor by sending the same by post addressed to him at his last address as entered into the books of the Company, and every notice so sent shall be presumed to have reached the proprietor to whom the same was addressed, and shall be binding upon him and all persons claiming under him.

Arrears of dividend when converted into stock to be subject to the same trusts as before the conversion.

9. All persons and corporations who shall receive any of the said preference stock in lieu of arrears of dividend on the five per cent. stock shall stand possessed of the stock so received upon the same trusts and subject to the same powers, provisions, declarations, and agreements, charges, and incumbrances as the arrears of dividend in respect of which such preference stock was so received were subject and liable to immediately before the conversion of such arrears into preference stock, and so as to give effect to and not revoke any will or other testamentary instrument disposing of or affecting such arrears.

As to votes of proprietors of such shares.

10. The proprietors of any stock to be issued under the authority of this Act shall be entitled to such number of votes in respect thereof as the nominal amount represented thereby would

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have entitled them to if the same had been original stock of the Company.

Temporary reduction of dividend on (B) stock.

11. If the said arrears of dividend shall be converted as aforesaid into capital the dividend attaching to the (B) stock shall, notwithstanding anything contained in any previous Act or Acts of the Company to the contrary, be three pounds per cent. per annum instead of four and a half pounds per cent. per annum until the year ending the thirty-first day of July one thousand eight hundred and seventy-seven: Provided always, that in case in any year prior to and including the year ending the thirty-first day of July one thousand eight hundred and seventy-seven a greater dividend than three pounds per cent. per annum shall be payable to the proprietors of the ordinary stock of the Company, the proprietors of the (B) stock shall participate equally with the proprietors of the ordinary stock in the excess of dividend beyond three pounds per cent. up to four and a half pounds per cent.

Power to give a right of voting to proprietors of (B) stock.

12. The Company may, with the consent of three fifths at least of the votes of their shareholders present personally or by proxy at an extraordinary meeting convened with due notice of the object, determine that the proprietors of the (B) stock shall be entitled to vote at all meetings of the Company, and in that event the said proprietors shall be entitled in respect of the said stock to such number of votes as the nominal amount represented by such stock would have entitled them to if the same were original stock of the Company.

Saving rights of proprietors of (A) stock.

13. Nothing in this Act contained shall alter, prejudice, or affect any of the rights or priorities of the proprietors of the (A) stock; and any stock created under the powers of this Act may rank immediately after but shall not rank before the (A) stock.

Company may cross road at Peterhead on level.

14. Subject to the provisions in "The Railways Clauses Consolidation (Scotland) Act, 1845," and in Part I. (relating to the construction of a railway) of "The Railways Clauses Act, 1863," contained in reference to the crossing of roads on the level, the Company may maintain their Peterhead Railway across and upon the level of the public road in the parish of Peterhead leading from Peterhead to Fraserburgh and Saint Fergus with a single line only whilst the railway shall consist of a single line, and afterwards with a double line only.

Interest on calls not to be paid out of capital,

15. The Company shall not, out of any money by this Act authorised to be raised, pay interest or dividend to any shareholder on the

amount of the calls made in respect of the shares held by him, but nothing in this Act shall 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 (Scotland) Act, 1845." A.D. 1873.

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

16. The Company shall not, out of any money by this Act authorised to be raised, pay or deposit any sum which, by any standing order of either House of Parliament now or hereafter in force, may require to be deposited in respect of any application to Parliament for the purpose of obtaining an Act authorising the Company to construct any railway or to execute any other work or undertaking.

Railways not exempt from provisions of present and future general railway Acts.

17. Nothing in this Act contained shall 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, 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, authorised to be taken by the Company.

Expenses of Act.

18. All costs, charges, and expenses of and incident to the preparing for, obtaining, and passing of this Act, or otherwise in relation thereto, shall be paid by the Company.

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SCHEDULE referred to in the foregoing Act.

Section and Chapter.	Short Title.	Short description for purposes of foregoing Act.
22 and 23 Vict. cap. 8.	The Great North of Scotland Railway Consolidation Act, 1859.	The Act of 1859.
25 and 26 Vict. cap. 62.	The Great North of Scotland Railway Amendment Act, 1862.	The Act of 1862.
30 and 31 Vict. cap. 190.	The Great North of Scotland Railway (Further Powers) Act, 1867.	The Act of 1867.

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