CHAPTER iii.

An Act to enable the Highland Railway Company to raise further sums of money. [21st May 1874.]

A.D. 1874.

WHEREAS by "The Highland Railway Act, 1865," the Inverness and Perth Junction Railway Company and the Inverness and Aberdeen Junction Railway Company were dissolved, and the several persons and corporations who immediately before the commencement of that Act were the proprietors of the ordinary and preference stocks in those companies, and all other persons and corporations who should thereafter subscribe towards the undertaking of the Company, and the executors, administrators, successors, and assigns of such several persons and corporations, were incorporated into a company by the name of the Highland Railway Company, and the companies were united, and the undertaking of the amalgamated companies, to be thereafter called the Highland Railway, was declared to be the undertaking of the Company: 28 & 29 Vict. c. clxviii.

And whereas by the recited Act the capital of the Company raised and authorised to be raised in shares and stock, exclusive of debenture stock, amounts to the sum of two million two hundred and forty-nine thousand pounds, and the loan capital and debenture stock to the sum of seven hundred thousand eight hundred and eighty pounds, subject to the provision that in the event of the Company purchasing or having purchased land in consideration of an annual feu duty or ground annual, the loan capital of the Company should be diminished in respect of the land so purchased by an amount equal to twenty years purchase of the said feu duty or ground annual:

And whereas by the several Acts of Parliament following the Company were authorised to raise further sums of money, in shares or stock, for the purpose of contribution to the respective undertakings authorised by those Acts respectively, viz., by "The Sutherland Railway Act, 1865," the sum of thirty thousand pounds;

A.D. 1874.

by "The Dingwall and Skye Railway Act, 1865," the sum of fifty thousand pounds; and by "The Sutherland and Caithness Railway Act, 1871," the sum of fifty thousand pounds:

And whereas the Company have raised the whole of the capital authorised by the recited Acts by the creation and issue of shares or stock and by mortgage and by the issue of debenture stock, with the exception of the sum of fifteen thousand pounds, being part of the sum of fifty thousand pounds which the Company were authorised to raise as aforesaid for the purpose of their contribution to the undertaking of the Dingwall and Skye Railway Company:

And whereas the undertaking of the Company has for years been completed and in full operation, and the Company have in pursuance of powers conferred upon them entered into contracts and agreements for the working by the Company of the Sutherland Railway, the Dingwall and Skye Railway, the Duke of Sutherland's Railway, and the Sutherland and Caithness Railway:

And whereas in completing the undertaking of the Company, and in providing rolling stock and plant for working the same, and also for working the Sutherland, the Dingwall and Skye, the Duke of Sutherland's, and the Sutherland and Caithness Railways, the Company have incurred debts and liabilities to an amount exceeding the capital which they are authorised to raise by shares, mortgages, and the issue of debenture stock as aforesaid, and in order to afford greater convenience to the public, and to the increased traffic passing along the railways of the Company, it will be necessary to construct additional lines of rail, sidings, and works, and to provide more extended accommodation, and it is therefore expedient that the Company should be authorised to raise further sums of money for the general purposes of their undertaking, in manner herein-after provided:

But that object 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 Highland Railway (Additional Capital) Act, 1874."

Provisions of certain general Acts incorporated.

2. The clauses and provisions of "The Companies Clauses Consolidation (Scotland) Act, 1845," with respect to the following matters; (that is to say,)

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 nonpayment of calls;
The remedies of creditors of the Company against the shareholders;
The borrowing of money by the Company on mortgage or bond;
The conversion of the borrowed money into capital;
The consolidation of the shares into stock;
The general meetings of the Company and the exercise of the right of voting by the shareholders;
The making of dividends;
The giving of notices;
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), Part II. (relating to additional capital), 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 partially incorporated herewith have the same respective meanings, unless there be something in the subject or context repugnant to such construction; and in the Acts partially incorporated with this Act as applied to this Act, the expression "the Company" means the Highland Railway Company; the expression "the special Act" means this Act; and the expressions "the railway" and "the undertaking" mean respectively the railways and the undertaking of the Company.

Power to raise 500,000*l.* by the issue of ordinary or preference shares or stock.

4. The Company may, subject to the provisions of Part II. of "The Companies Clauses Act, 1863," raise any additional sum or sums of money not exceeding in the whole five hundred thousand pounds by the issue at their option of new ordinary shares or stock or new preference shares or stock, or wholly or partially by any one or more of those modes respectively; provided that if in any year ending on the last day of February there are not profits available for the payment of the full amount of preferential dividend or interest for that year on any such new preference shares or stock, no part of the deficiency shall be made good out of the profits of any subsequent year or out of any other funds of the Company.

A.D. 1874.

Shares not to issue until one fifth paid up.

5. The Company shall not issue any share created under the authority of this Act, nor shall any such share vest in the person accepting the same, unless and until a sum not being less than one fifth of the amount of such share is paid in respect thereof.

Votes in respect of new shares or stock.

6. Each holder of new shares or stock in the capital by this Act authorised to be raised shall be entitled to the same number of votes in respect thereof which the possession of an equal nominal amount of the existing capital stock of the Company would have conferred upon him.

Power to borrow on mortgage.

7. The Company may, in respect of the additional capital of five hundred thousand pounds which they are by this Act authorised to raise, from time to time borrow on mortgage any sum not exceeding in the whole one hundred and sixty-six thousand pounds, but no part thereof shall be borrowed until shares for so much of the said additional capital as is to be raised by means of shares are issued and accepted, and one half of such capital is paid up, and the Company have proved to the sheriff who is to certify under the forty-second section of "The Companies Clauses Consolidation (Scotland) Act, 1845," before he so certifies, that shares for the whole of such capital have been issued and accepted, and that one half of such capital has been paid up, and that not less than one fifth part of the amount of each separate share in such 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 the said additional capital as is to be raised by means of stock is fully paid up, and the Company have proved to such sheriff 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 if the said capital is raised by shares that such persons or corporations, or their executors, administrators, successors, or assignees, are legally liable for the same; and upon production to such sheriff 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.

Arrears may be enforced by appointment of a judicial factor.

8. 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 judicial factor. In order to authorise the appointment of a judicial factor in respect of arrears of principal, the amount owing to the mortgagees by whom

the application for a judicial factor is made shall not be less than ten thousand pounds in the whole.

Existing securities to have priority.

9. All mortgages and bonds 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 bonds, 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.

Power to create debenture stock.

10. 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 Railway Companies (Scotland) Act, 1867;" 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.

Application of moneys.

11. All moneys raised under this Act, whether by shares or stock, or debenture stock, or borrowing, shall be applied for the purposes of this Act only.

Interest not to be paid on calls paid up.

12. The Company shall not, out of any money by this Act or any other Act relating to the Company 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."

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

13. 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 be required 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 work or undertaking.

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

14. 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

A.D. 1874.

or alteration, under the authority of Parliament, of the maximum rates of fares and charges, or of the rates for small parcels, authorised by the Acts relating to the Company.

Expenses of Act.

15. 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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