CHAPTER viii.

An Act for increasing the Capital of the Hylton Southwick and Monkwearmouth Railway Company and for other purposes. [8th April 1881.]

A.D. 1881.

WHEREAS by the Hylton, Southwick, and Monkwearmouth Railway Act, 1871 (in this Act called "the Act of 1871") the Hylton Southwick and Monkwearmouth Railway Company (in this Act called "the Company") were incorporated and were empowered to construct the Railways in that Act described and to raise for that purpose the sum of fifty thousand pounds in shares and the sum of sixteen thousand six hundred pounds by borrowing:

34 & 35 Vict. c. xiii.

And whereas the Company duly constructed Railway No. 1 authorised by the Act of 1871 and the same is now being worked but the Company have not constructed Railway No. 2 authorised by the said Act and all the powers of the said Act with reference thereto have expired:

And whereas the moneys necessary for the construction of Railway No. 1 have been from time to time advanced and paid by the shareholders of the Company in various amounts but the cost of such construction has largely exceeded the share capital of the Company authorised by the Act of 1871:

And whereas the amount which the Company have expended as aforesaid in excess of their authorised share capital is seventy-five thousand pounds and it is expedient that the capital of the Company should be increased and that they should be empowered to create fully paid up shares and to allot the same to and amongst the shareholders of the Company as herein-after provided in respect of the moneys so advanced by them as aforesaid:

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

A.D. 1881. 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 as the "Hylton Southwick and Monkwearmouth Railway Act 1881" and this Act and the Act of 1871 shall be read together as one Act. And the Act of 1871 and this Act may be cited together as the "Hylton Southwick and Monkwearmouth Railway Acts 1871 and 1881."

Incorporation of parts of general Acts. 8 & 9 Vict. c. 16. **2.** The following parts of Acts are except where expressly varied by this Act incorporated with and form part of this Act (that is to say) :—

The clauses and provisions of the Companies Clauses Consolidation 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 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 borrowing of money on mortgage or bond;

The conversion of the borrowed money into capital;

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. 26 & 27 Vict. c. 118.

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 have the same respective meanings unless there be something in the subject or context repugnant to such construction:

The expression "the undertaking" shall mean the Railway No. 1 authorised by the Act of 1871:

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 simple contract debt and not a debt or demand created by statute.

Power to Company to raise additional capital.

4. The Company may subject to the provisions of Part II. of the Companies Clauses Act 1863 from time to time raise for the general purposes of their undertaking any additional capital not exceeding in the whole the sum of one hundred and eight thousand pounds by the creation of new shares and those shares to such an amount as the Company think fit not exceeding thirty-three thousand pounds may be preference shares.

Fully paid up ordinary shares to be created in respect of money expended.

5. As part of such additional capital of one hundred and eight thousand pounds the Company shall create and issue one thousand five hundred fully paid up ordinary shares of fifty pounds each and shall allot the same to and when so allotted the same shall vest in the several persons who at the passing of this Act are shareholders in the Company in such proportions as may be agreed upon between them in respect of the amount expended by such shareholders in and towards the construction of the undertaking.

Shares not to be issued until one-fifth part paid up.

6. The Company shall not issue any share created under the authority of this Act of a less nominal amount than ten pounds nor except as herein-before provided shall any 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 shall have been paid in respect thereof.

Calls.

7. Except as herein-before provided, one-fifth of the amount of a share shall be the greatest amount of a call and two months at least shall be the interval between successive calls and four-fifths of the amount of a share shall be the utmost aggregate amount of the calls made in any year upon any share.

New shares to be subject to same provisions as shares in original capital.

8. Except as by or under the authority of this Act otherwise provided the new capital created by the Company under this Act and the shares therein and the holders of those shares respectively shall be entitled and subject to the same powers rights privileges and liabilities in all respects as if that new capital were part of the original capital of the Company and those shares were shares in that original capital.

Power to borrow on mortgage.

9. The Company may in respect of the said sum of thirty-three thousand pounds part of the additional capital of one hundred and eight thousand pounds which they are by this Act authorised to create from time to time borrow on mortgage any sum not exceeding in the whole eleven thousand pounds:

But no part thereof shall be borrowed until shares for the whole of the said sum of thirty-three thousand pounds are issued and accepted and one-half thereof is paid up and the Company have

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proved to the Justice who is to certify under the fortieth section of the Companies Clauses Consolidation Act 1845 before he so certifies that shares for the whole of such capital have been issued and accepted and that one-half thereof 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 the Company have proved to such Justice as aforesaid before he so certifies that such shares were so issued and accepted and paid up 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 that such persons or corporations or their executors administrators successors or assigns are legally liable for the same:

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 in reference to such capital has been given which certificate shall be sufficient evidence thereof.

Repealing provisions of former Acts with respect to appointment of a receiver.

10. The provisions of the Act of 1871 with respect to the appointment of a receiver for enforcing payment by the Company of arrears of principal money or principal money and interest shall be and the same are hereby repealed but without prejudice to any appointment which may have been made or to the continuance of any proceedings which may have been commenced prior to the passing of this Act under any such provision.

Appointment of a receiver.

11. 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 two thousand pounds in the whole.

Priority of existing mortgages.

12. All mortgages granted by the Company in pursuance of the powers of the Act of 1871 and subsisting at the passing of this Act shall during the continuance of such mortgages 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.

Debenture stock.

13. The Company may create and issue debenture stock subject to the provisions of Part III. of the Companies Clauses Act 1863. 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.

14. All moneys raised under this Act whether by shares or debenture stock or borrowing shall be applied to the purposes of the undertaking and to no other purpose whatever.

Interest not to be paid on calls paid up.

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 Act 1845.

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 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 other railway or to execute any other work or undertaking.

Provision as to general railway Acts.

17. Nothing in this Act contained shall exempt the Company or their railways from the provisions of any general Act relating to railways or 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 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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