CHAP. clxxxv.

An Act for authorising the Sale or Amalgamation of the Undertaking of the Kent Coast Railway Company, and for other purposes. [31st July 1871.]

A.D. 1871.

Recital of Acts relating to Kent Coast Railway.

WHEREAS the following Acts relating to the Kent Coast Railway Company (in this Act called "the Kent Coast Company") have been passed; (that is to say,) "The Herne Bay and Faversham Railway Act, 1857," "The Margate Railway Act, 1859," "The Kent Coast Railway Act, 1861," "The Kent Coast Railway Act, 1862," "The Kent Coast Railway Act, 1864," "The London, Chatham, and Dover Railway (Kent Lines) Act, 1865," "The London, Chatham, and Dover Railway (New Streets) Act, 1866," "The Kent Coast Railway Act, 1869:"

And whereas under the powers of the above-mentioned Acts, or some of them, the Kent Coast Company have borrowed various sums of money amounting together to the sum of 241,000*l.*:

And whereas the capital of the Kent Coast Company consists of 302,500*l.* B Stock and 422,500*l.* A Stock:

And whereas the undertaking of the Kent Coast Company has been worked by the London, Chatham, and Dover Railway Company (in this Act called the Dover Company), under the terms of certain alleged heads of agreement for the lease of the undertaking to the Dover Company, which heads of agreement have been declared to be invalid:

And whereas the undertaking of the Kent Coast Company is now being worked by the Dover Company as an integral part of its system, under and in pursuance of the award of the arbitrators appointed under "The London, Chatham, and Dover Railway (Arbitration) Act, 1869," as and from the 30th June 1870, and it will be expedient for the interests of the two Companies and of the public that provision be made for a sale and conveyance of the undertaking, railways, works, property, and powers of the Kent Coast Company to the Dover Company, by means of a confirmation

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And whereas it is expedient that the Dover Company be authorised to raise additional capital for the purposes of this Act relating to them:

And whereas it is expedient that other provisions be made with respect to the Kent Coast 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; (that is to say,)

Short title.

1. This Act may be cited as "The Kent Coast Railway Act, 1871."

Part 5 of 26 & 27 Vict. c. 92. incorporated.

2. Part 5, relating to amalgamation of "The Railways Clauses Act, 1863," is, except where expressly varied by this Act, incorporated with and is part of this Act.

Interpretation of terms.

3. In this Act the several words and expressions to which meanings are assigned by the Act partially incorporated herewith have the same respective meanings, unless there be something in the subject or context repugnant to or inconsistent with such construction; the expression "the Kent Coast Company" means the Kent Coast Railway Company, and the expression "the Dover Company" means the London, Chatham, and Dover Railway Company.

Confirmation of agreement in schedule.

4. The agreement set forth in the schedule to this Act is hereby confirmed, and the same shall be in all respects, as fully as if the same were set forth at length and enacted in the body of this Act, binding on the Kent Coast Company and their stockholders, and on the Dover Company, their debenture stockholders, creditors, preference stockholders, and ordinary stockholders, and shall be carried into effect accordingly, subject nevertheless to such approval as is stipulated for by that agreement, which approval shall be sufficient for all purposes.

Power for Dover Company to issue stock according to agreement.

5. The Dover Company may, on such approval of the agreement scheduled to this Act as is therein stipulated for, and without any further or other consent, create, issue, and allot debenture stock, preference stock, and ordinary stock to the amount and in the manner stipulated for in that agreement, and all stock so created and issued shall by virtue of this Act form without distinction one

aggregate amount of stock with and be subject to all statutory and other provisions relating to the Dover Company's arbitration debenture, preference, and ordinary stock respectively existing at the passing of this Act.

Application of stock.

6. All stock created by the Dover Company under the agreement scheduled to this Act shall be issued and applied for the purposes by this Act authorised in relation to that agreement, and not otherwise.

Provision as to acceptance of stock by trustees, &c.

7. All trustees, executors and administrators, and corporations, holding or being entitled to or interested in any mortgage or bond of the Kent Coast Company, and the guardians and committees respectively of any infants and lunatics respectively holding or being entitled to or interested in any such mortgage or bond, may, and all trustees, executors and administrators, and corporations, holding or being entitled to or interested in any share or stock of that Company, shall, accept any stock issued to them in lieu thereof for the purposes of the agreement scheduled to this Act, and such substituted stock shall pass so as to give effect to and not to revoke any will or other instrument disposing of or affecting the mortgage bond, share, or stock for which the same is substituted.

Provision for winding up affairs of Kent Coast Company.

8. When the sale or amalgamation provided for by this Act shall take effect, the Kent Coast Company shall proceed to wind up their affairs, and in order thereto shall realise their assets, and, subject to the payment, satisfaction, or discharge of all their debts, liabilities, and engagements, the Kent Coast Company shall distribute and pay their net moneys (if any) to and among the several persons and in the manner provided for by article 9 of the agreement scheduled to this Act.

Payments into court by Kent Coast Company on winding up.

9. Provided that where the Kent Coast Company are for twelve months after the period for the distribution of their net moneys unable after diligent inquiry to ascertain the person to whom any part thereof ought to be paid, and who can give an effectual receipt for the same, the Kent Coast Company may pay the same into the Court of Chancery under any Act from time to time in force for the relief of trustees, and every such payment into court shall conclusively discharge the Kent Coast Company from all further liability with respect to the net moneys so paid, and for the purposes of this Act, and of the agreement scheduled thereto, shall be deemed payment thereof to a person absolutely entitled thereto, and any person afterwards showing to the satisfaction of the court that he is entitled thereto may obtain payment thereof out of court accordingly.

Dissolution of Kent

10. When all the debts, liabilities, and engagements of the Kent Coast Company are paid, satisfied, or discharged, and their net

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moneys are distributed in accordance with this Act, and the agreement scheduled thereto, and the affairs of the Kent Coast Company are finally wound up, the Kent Coast Company shall be by this Act dissolved, and shall thenceforth wholly cease to exist.

Sale under agreement to be deemed amalgamation.

11. For the purpose of the enactments incorporated with this Act, the sale of the undertaking of the Kent Coast Company effected by the agreement scheduled to this Act shall be deemed to be an amalgamation of that Company with the Dover Company, and the time of amalgamation shall be the first day of July one thousand eight hundred and seventy-one.

Saving rights of mortgagees, &c.

12. Until the discharge of the receiver of the Kent Coast Company's undertaking appointed by the Court of Chancery, nothing in this Act, or in the agreement scheduled thereto, shall alter, prejudice, affect, or interfere with the rights, mortgage, estate, claims, or remedies of the mortgagees and other creditors of the Kent Coast Company; and all sums which would but for the passing of this Act be payable to the said receiver in respect of the working of the said railway and undertaking shall continue to be paid, received, and distributed by such receiver as aforesaid as if this Act had not passed, and for that purpose the same accounts shall be kept of the earnings of the Kent Coast Company as at present, and no application for the discharge of the receiver shall be made or sanctioned by the Kent Coast Company until the payment of all that Company's mortgage debts, and the Dover Company shall continue to work the undertaking upon the same terms and conditions as they now work the same until after the payment or satisfaction of all the claims of the said mortgagees of the Kent Coast Company.

Saving rights of Sittingbourne and Sheerness Railway Company.

13. Nothing in this Act or in the agreement scheduled thereto contained shall take away, lessen, prejudice, alter, or affect any of the estates, rights, interests, powers, claims, or demands of the Sittingbourne and Sheerness Railway Company, or any of their mortgagees, or other creditors or shareholders, or shall be construed to confer any power or authority by means of which the same may be taken away, lessened, prejudiced, altered, or affected, but the same shall continue and be in all respects the same as if this Act were not passed; and nothing in this Act shall be construed to confer on the Kent Coast Company or the Dover Company any power or authority to make any terms and conditions, or agree upon any considerations, for the transfer or sale hereby authorised, to the prejudice of the said estates, rights, interests, powers, claims, or demands, or any of them, or of the "Sheerness rentcharge four and a half per cent. stock," and any stocks, rentcharges, annuities,

and securities to be created or issued or accepted under the powers of this Act shall, as regards priority or preference, and except in regard to the undertaking and line of the Kent Coast Company, and the receipts arising from the working of the same, rank subsequently to the said "Sheerness rentcharge four and a half per cent. stock," and so that the said "Sheerness rentcharge four and a half per cent. stock" shall, except as aforesaid, form and be a prior charge to any such stocks, rentcharges, annuities, and securities.

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

14. Nothing in this Act contained shall exempt the Kent Coast Company's railway from the provisions of any general Act relating to railways, or the better and more impartial audit of the accounts of railway companies, now or hereafter in force, 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, by the recited Acts authorised.

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 Kent Coast Company.

The SCHEDULE referred to in the foregoing Act.

An Agreement, made the thirteenth day of July 1871, between the Kent Coast Railway Company (in this agreement called the Kent Coast Company) of the one part, and the London, Chatham, and Dover Railway Company (in this agreement called the Dover Company) of the other part.

In consideration of the mutual benefits to accrue from this agreement to the Companies parties thereto, and for the other considerations in this agreement appearing, the Companies parties thereto, for themselves, their successors, and assigns, agree as follows; (that is to say,)

1. Subject and according to the stipulations in this agreement, the Kent Coast Company shall sell, and the Dover Company shall purchase, the undertaking of the Kent Coast Company.

2. The Dover Company shall create stock as follows:

(1.) Debenture stock to the amount of 241,000*l.*, to bear interest at four and a half per centum per annum;

(2.) Preference stock to the amount of 302,500*l.*, to bear a preferential dividend of four and a half per centum per annum;

(3.) Ordinary stock to the amount of 550,000*l.*;

and shall issue the same on or before the 30th day of December 1871.

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3. Debenture stock, preference stock, and ordinary stock created under this agreement shall be denominated arbitration debenture stock, arbitration preference stock, and arbitration ordinary stock, respectively, and shall rank with the Dover Company's arbitration debenture, preference, and ordinary stock respectively existing at the date of this agreement, and shall bear interest or dividend from the 1st July 1871.

4. All stock created by the Dover Company under this agreement shall be registered in the name of the Kent Coast Company in the stock register of the Dover Company, and such stock, or the proceeds of any sale thereof, and the interest or dividends arising thereon, shall be held and applied by the Kent Coast Company, in the first place, in or towards the payment of the money borrowed before the date of this agreement by the Kent Coast Company on mortgage or bond, and remaining unpaid at the date of this agreement.

5. Subject to the provisions of the last article, and after such payments as therein mentioned, the said sum of 302,500*l.* preference stock shall be transferred to the holders of B stock of the Kent Coast Company, in proportion to the amount of that stock held by them respectively, and the said sum of 550,000*l.* ordinary stock shall be transferred to the holders of A stock of that Company, in proportion to the amount of that stock held by them respectively.

6. Notwithstanding anything in this agreement, no portion of either of the said sums of 302,500*l.* preference and 550,000*l.* ordinary stock shall be transferred to the holders of B stock and A stock respectively of the Kent Coast Company, unless and until all money borrowed before the date of this agreement by the Kent Coast Company on mortgage or bond and remaining unpaid at the date of this agreement, with all interest accrued due thereon, has been fully paid and satisfied, and any deficiency of the said sum of 241,000*l.* debenture stock, or of the proceeds of any sale thereof, or the interest or dividend thereon, to pay and satisfy the money so borrowed, with interest as aforesaid, shall be made good out of the said sums of 302,500*l.* preference and 550,000*l.* ordinary stock, or the proceeds of any sale thereof, in the proportions following; (that is to say,) as to one third part of that deficiency, out of the said sum of preference stock, and as to the residue of that deficiency, out of the said sum of ordinary stock, and in that event the amount of preference and ordinary stock respectively to be transferred to the holders of B stock and A stock of the Kent Coast Company shall, as among those respective classes of holders, abate rateably.

7. The Kent Coast Company shall retain and dispose of for their own use and benefit the lands described in the schedule to this agreement, but (subject to any statutory rights of landowners) the Dover Company shall have the like right of pre-emption in respect of those lands as if they (the Dover Company) were at the date of this agreement entitled to the lands from which the same were originally severed.

8. The money received by the Kent Coast Company on the sale or disposition of lands comprised in the schedule to this agreement shall (subject to any liens or specific claims on any part of those lands, or of that money,) form part of the general assets of the Kent Coast Company.

9. The Kent Coast Company shall realise their assets, and, subject to the payment, satisfaction, or discharge of all their debts, liabilities, and engagements,

shall distribute and pay their net money (if any) to and among the several persons who on the 31st day of August 1871 are the registered stockholders of that Company, in the proportions following; (that is to say,) two thirds to the holders of B stock, and one third to the holders of A stock, or the respective executors, administrators, successors, or assigns of those several stockholders.

10. Possession of the undertaking of the Kent Coast Company shall be given or be deemed to have been given to the Dover Company as purchasers under this agreement as on the 1st day of July 1871, and as on and from that day the Dover Company shall be deemed to have ceased to work that undertaking on account of and for the benefit of the Kent Coast Company, and to have become the absolute owners thereof as such purchasers.

11. If the Dover Company shall pay to the receiver of the Kent Coast Company appointed by the Court of Chancery any money in respect of the working of the Kent Coast Railway subsequent to the 30th day of June 1871, the Dover Company may retain the dividends and interest on such arbitration debenture stock, arbitration preference stock, and arbitration ordinary stock, until by means thereof or otherwise the last-named Company has been reimbursed the money paid to such receiver.

12. If any difference arises between the Dover Company and the Kent Coast Company respecting the construction or effect of this agreement, or respecting anything done or omitted to be done thereunder, or respecting any of the incidents or consequences thereof, the same shall by virtue of this agreement stand referred to the arbitration, (in accordance with the Railway Companies Arbitration Act, 1859, and the Common Law Procedure Act, 1854,) or any statutory modification thereof respectively, of a single arbitrator to be agreed on by the two Companies, or in default of agreement, to be nominated by the Board of Trade; and this agreement shall be deemed a reference to arbitration accordingly under the first-mentioned Act.

13. This agreement shall not have effect unless and until it has been approved at an extraordinary general meeting of the stockholders of each of the Kent Coast and Dover Companies, to be held not later than the 31st day of August 1871, and to be specially convened for the purpose with notice of the object of the meeting, by three fifths of the votes of the stockholders entitled to be present, and present personally or by proxy, and voting thereat.

14. This agreement is made subject to the sanction of Parliament.

15. This agreement shall be scheduled to and (if Parliament thinks fit) shall be confirmed by the Kent Coast Railway Bill now pending in Parliament, and such alterations shall be made in the Bill as will adapt it to the confirmation of this agreement.

In witness whereof the Companies parties hereto have hereunto affixed their respective common seals, the day and year first above written.

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A.D. 1871.

The Schedule to which the foregoing Agreement refers.

Lands reserved to Kent Coast Company.

Parish.	Description.
Faversham - - -	1 rood 12 perches of land on road to Herne Hill.
„ - - -	4 dwellings under one roof on the road to Graveney.
Godnestone - - -	2 a. 0 r. 17 p. and 0 a. 0 r. 20 p. of marsh land.
„ - - -	0 a. 2 r. 16 p. freehold land.
Graveney - - -	0 a. 0 r. 15 p. of wood land.
„ - - -	0 a. 0 r. 7 p. of arable land.
Herne Hill - - -	1 a. 2 r. 5 p. of marsh land.
„ - - -	0 a. 1 r. 0 p. of marsh land.
Sea Salter - - -	Cottage and garden with 32 perches of land.
Whitstable - -	3 a. 1 r. 35 p. of freehold land at the back of the street, with good road to it.
„ - - -	2 roods and 1 rood 5 perches of freehold land close to the South-eastern Railway.
Swalecliff - - -	0 a. 1 r. 18 p. of freehold land.
Herne - - - -	1 a. 2 r. 37 p. and 0 a. 2 r. 17 p. of freehold land.
„ - - - -	Freehold land, 0 a. 1 r. 16 p. and 0 a. 1 r. 35 p.
Reculvers - - -	0 a. 1 r. 14 p. and 0 a. 0 r. 18 p. of land.
Ramsgate - - -	The "Refectory" Tavern, situate opposite to the entrance to the East Pier.
„ - - -	No. 5, Victoria Place, the Harp Tavern, adjoining the former property.
„ - - -	No. 4, Victoria Place, a beer shop.
„ - - -	No. 3, Victoria Place.
„ - - -	Nos. 1 and 2, Victoria Place.
Margate - - -	A freehold building near to the Margate station.
„ - - -	Freehold land and railway bank between No. 15 and the main line of railway.

L.S.

L.S.

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