CHAPTER xii.

An Act to authorise the transfer of the undertaking of the Liverpool Electric Supply Company Limited to the Corporation of Liverpool. [21st May 1896.] A.D. 1896.

WHEREAS the Liverpool Electric Supply Company Limited (herein-after called "the Company") being a company registered under the Companies Acts 1862 to 1890 and having their registered office at 15 Highfield Street in the city of Liverpool are under the provisions of the Liverpool Electric Lighting Orders 1891 and 1892 which were respectively confirmed by the Electric Lighting Orders Confirmation (No. 7) Act 1891 and the Electric Lighting Orders Confirmation (No. 4) Act 1892 (herein-after called "the Order of 1892") authorised to supply energy within the area of supply in the city of Liverpool specified in the First Schedule to the Order of 1892:

And whereas under the provisions of the Toxteth Park Electric Lighting Order 1891 confirmed by the Electric Lighting Orders Confirmation (No. 7) Act 1891 the Company are authorised to supply energy within that portion of the city of Liverpool which is specified in the First Schedule to the said Order and which at the date of the said Order formed part of the urban district of Toxteth Park in the county of Lancaster:

And whereas by the Order of 1892 it was provided that if the mayor aldermen and citizens of the city of Liverpool (herein-after called "the Corporation") should give to the Company the notice in the said Order specified requiring the Company to sell on the thirtieth day of June one thousand eight hundred and ninety-eight or on the thirtieth day of June in any subsequent year the undertaking authorized by the Liverpool Electric Lighting Orders 1891 and 1892 the Company should sell and the Corporation should purchase the same on the terms in the said Order mentioned:

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And whereas by the City of Liverpool Order 1895 confirmed by the Local Government Board's Provisional Order Confirmation (No. 10) Act 1895 the boundaries of the city of Liverpool were extended so as to include the urban district of Toxteth Park:

And whereas the Company have agreed to sell the whole of their undertaking to the Corporation on the terms in this Act mentioned and it is expedient that such sale should be carried into effect accordingly and that the undertaking of the Company with all their rights powers and privileges should be transferred to and vested in the Corporation subject to all enactments contracts obligations rights and liabilities affecting the same:

And whereas the Company have no mortgage or debenture debt:

And whereas estimates have been prepared by the Corporation showing that they will or may require to borrow for the purpose of carrying into effect the objects of this Act and of capital expenditure on the undertaking after the transfer a sum or sums amounting to five hundred thousand pounds:

And whereas the objects aforesaid are permanent works within the meaning of section 234 of the Public Health Act 1875:

And whereas the objects aforesaid 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 Liverpool Electric Supply (Transfer) Act 1896.

Sale of undertaking to local authority.

2.—(1) Subject to the provisions of this Act the Company shall sell and the Corporation shall purchase for the sum of four hundred thousand pounds the whole of the undertaking and other works of the Company and all their property and assets real and personal (except as herein-after mentioned) with all their rights powers and privileges as the same shall stand at the date of the completion of the purchase (in this Act called "the undertaking") subject to all enactments contracts obligations rights and liabilities affecting the same at that date but excepting out of the said purchase—

(A) The reserve and renewal fund of the Company amounting to eighteen thousand pounds which shall continue the property of the Company and shall be dealt with as herein-after provided;

(B) All the minute books of the Company:

Provided that the share registers transfer books books of account letter books and documents of the Company shall remain in the possession of the Company until their dissolution after which the same shall be handed over to the Corporation but after the completion of the purchase the Corporation and their officials shall have access to the said books and documents whenever required by the Corporation.

(2) The purchase shall be completed and the purchase money paid on the forty-second day from the day on which the Royal Assent shall be given to this Act or on such earlier or later date as may be agreed upon between the Company and the Corporation.

Transfer to be by deed.

3. The purchase shall be carried into effect by a deed duly stamped at the expense of the Corporation and truly stating the consideration which deed may be in the form set forth in the schedule to this Act or to the like effect with such variations and additions as circumstances require and on the payment of the purchase money and the execution of that deed by the Company the undertaking shall by virtue of that deed and of this Act be transferred to and vested in the Corporation subject to all enactments contracts obligations rights and liabilities affecting the same Provided that within three months from the date of the deed the Corporation shall produce to the Commissioners of Inland Revenue such deed of conveyance duly stamped and in default of such production the ad valorem stamp duty with interest thereon at the rate of five pounds per centum per annum from the date of the deed to the date of payment shall be recoverable from the Corporation with full costs of action and all costs and charges attending the same.

Powers of Company under Electric Lighting Acts and Orders transferred to Corporation.

4. As from the completion of the purchase all the powers duties and obligations of the Company in relation to the supply of energy under the Electric Lighting Acts 1882 and 1888 and the recited orders shall be transferred to and vest in the Corporation.

Debts and liabilities of Company to be paid by Corporation.

5. Subject as herein-after provided in the section of this Act of which the marginal note is "Costs of Act &c." the Corporation shall be liable to and shall pay and discharge all the debts and liabilities of every kind of the Company existing at the date of completion of the purchase including liabilities in respect of causes of action then existing and arising in connection with the carrying on of their undertaking in the usual course of business and as from the date aforesaid the Company shall not be liable for the same and the Corporation shall be entitled to all debts and sums of money

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then owing to the Company except the reserve and renewal fund herein-before mentioned and the Corporation shall have the same powers for recovering any such debts and sums of money as the Company would have had if the transfer had not been made.

Contracts &c. of Company to be binding on Corporation.

6. All purchases sales conveyances deeds contracts and agreements entered into or made by the Company and in force at the date of completion of the purchase shall be as binding and of as full force and effect in every respect against or in favour of the Corporation and may be enforced as fully and effectually as if instead of the Company the Corporation had been a party thereto.

Actions not to abate.

7. No action suit or other proceedings whatsoever commenced either by or against the Company previous to the date of completion of the purchase shall abate or be discontinued or be prejudicially affected by the transfer of the undertaking but all such actions suits and other proceedings shall continue and take effect either in favour of or against the Corporation in such and the like manner as the same would have continued and taken effect in relation to the Company if the undertaking had not been transferred and all penalties by reason of any offence against the provisions of the Company's orders previous to such transfer may be sued for and all offences which may have been committed before such transfer against the provisions of such orders or any of them may be prosecuted by the Corporation in such or in like manner to all intents and purposes as the same might have been sued for and prosecuted respectively by the Company if such transfer had not been made.

Provisions as to carrying on of undertaking until completion of purchase.

8.—(1) As from the first day of January one thousand eight hundred and ninety-five the Company shall be deemed to have carried on their undertaking for the benefit and at the risk of the Corporation (subject to the payment of dividend as herein-after provided) and to have been authorised by them to make all such expenditure and incur all such liabilities on capital account and to borrow all such moneys in respect thereof as the Company have deemed necessary for the reasonable extension of their business in order to enable them to carry out their statutory obligations or otherwise in the proper conduct of the business of the Company.

(2) Until the completion of the purchase the Company shall retain their present control and management of their undertaking and shall carry on and manage the same in the ordinary and regular course of business for the benefit and at the risk of the Corporation subject to the payment of dividend as herein after provided and shall also continue to keep proper accounts and may

expend on capital account such sums and incur such liabilities as they think necessary for the reasonable extension of their business in order to enable them to carry out their statutory obligations or otherwise in the proper conduct of the business of the Company and may from time to time borrow such sums as may be necessary for the purposes aforesaid but shall not make any other expenditure on capital account except at the request of the Corporation Provided that the provisions of this sub-section shall operate only as between the Company and the Corporation and shall not in any manner affect any other person even with notice thereof.

Company may pay dividends.

9. The Company shall be entitled and shall be deemed to have been entitled as from the date next herein-after mentioned out of the receipts of the undertaking to declare and pay a dividend or dividends to their shareholders in respect of the present share capital of the Company at the rate of six pounds per centum per annum free of income tax from the first day of January one thousand eight hundred and ninety-five to the completion of the purchase every such payment being made at such time and in respect of such period as the directors of the Company may from time to time determine.

Officers and servants to be taken over.

10. The engineer of the Company Arthur Bromley Holmes and every other officer and servant of the Company (but not including the directors and solicitors) who on the date of completion shall be in the employment of the Company shall (unless he signifies in writing to the Corporation within one month after the completion of the purchase that he does not desire to enter their service) be taken over by the Corporation on the same terms as to position and emoluments as those under which they were respectively employed by the Company on the first day of January one thousand eight hundred and ninety-six The said engineer shall when in the service of the Corporation be entitled to continue to take pupils and shall also be entitled to continue for his own benefit his general practice as an engineer but not so as to prevent the efficient discharge of his duties as engineer to the undertaking transferred to the Corporation under the powers of this Act No officer or servant of the Company taken over by the Corporation under this Act shall be under any obligation to contribute to or entitled to participate in the superannuation fund of the Corporation unless within one month from such taking over he signifies to the Corporation his desire so to contribute and participate.

Costs of Act &c.

11.—(1) The costs charges and expenses of the Company in respect of and incidental to the preparing for obtaining and passing

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this Act or otherwise in relation thereto (but not including any costs herein-after specifically provided for) shall be paid by the Company as to one half thereof out of the reserve and renewal fund as herein-after mentioned and as to the remaining half thereof out of the general assets of the Company before completion of the purchase.

(2) The costs and expenses of the Company in respect of the transfer of their undertaking under this Act including the costs and expenses of the agreement preliminary thereto and of all negotiations in connexion therewith and all costs and expenses of the Company in the winding up of their affairs and of and incidental to the promotion and confirmation of the Liverpool Electric Lighting Order 1895 shall be paid by the Company and the Corporation shall not be liable to pay the same.

Distribution of reserve and renewal fund.

The said reserve and renewal fund shall be applied in manner following (that is to say) :—

First a payment of two shillings per share shall be made to the members of the Company :

Secondly the balance shall be paid to the directors of the Company who shall thereout—

(1) Pay and discharge the costs and expenses of the Company in respect of the transfer of their undertaking including the costs and expenses of the agreement preliminary thereto and of all negotiations in connexion therewith and all costs and expenses of the Company in the winding up of their affairs and of and incidental to the promotion and confirmation of the Liverpool Electric Lighting Order 1895 and also any costs charges and expenses of the Company not otherwise provided for in relation to this Act ;

(2) Pay such sum or sums as the directors think fit to any officers and servants of the Company whose services the directors shall be of opinion have been such as to call for recognition ;

(3) Retain the balance in acknowledgment of their services to the Company and for division among themselves in such shares as they may determine.

Distribution of purchase moneys.

12. On the completion of the purchase the directors shall distribute the purchase money and the amount herein-before appropriated to the members out of th e reserve and renewal fund among the members of the Company rateably in proportion to their respective shares in the capital of the Company.

Purposes for which the Company to continue incorporated.

13. From and after the completion of the purchase the Company shall subsist only for the purpose of distributing the purchase money and such other sum as aforesaid among the members of the Company and making the payments herein-before provided out of the reserve and renewal fund and the directors of the Company who are in office at the date of completion of the purchase and the survivors and survivor of them shall continue without re-election to hold the office of directors of the Company and they or a quorum of their number shall have full power and authority to take all necessary proceedings for carrying into effect the several purposes herein-before mentioned.

Receipts in cases of persons not sui juris.

14. If any money is payable to any member of the Company being a minor idiot or lunatic the receipt of the guardian or committee of his estate shall be a sufficient discharge to the Company and the directors for the same.

Company's books evidence as to shareholders.

15. The several persons who at the time of completion of the purchase appear on the share registers of the Company to be proprietors of shares in the capital of the Company or their respective executors administrators or assigns shall be deemed to be the members thereof and be entitled to participate in the distribution of the purchase money and other moneys in manner herein-before provided.

Payment into court by directors when persons entitled to money cannot be found.

16. Where the directors of the Company are for three months after the transfer unable after diligent inquiry to ascertain the person to whom any part of the purchase money or other moneys to be distributed by them is payable or where any part thereof is payable to a person whose committee cannot give an effectual receipt for the same the directors may pay the same into the High Court or county court under any Act for the time being in force for the relief of trustees.

Dissolution of Company.

17. Upon the purposes specified in the section of this Act of which the marginal note is "Purposes for which the Company to continue incorporated" being fulfilled the Company shall ipso facto be dissolved.

Power for Corporation to borrow.

18. For the purposes of carrying into effect the objects of this Act and of capital expenditure on the undertaking after the transfer the Corporation may from time to time borrow and re-borrow any sum or sums not exceeding in the aggregate five hundred thousand pounds and may raise any moneys so borrowed by mortgages granted in pursuance of the Liverpool Corporation Act 1893 (and subject to the provisions of that Act respecting sinking funds power

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to re-borrow and annual return to Local Government Board) or by the issue of stock in pursuance of the Liverpool Corporation Loans Act 1894 or partly by mortgages and partly by the issue of stock The Corporation shall make provision for the repayment of the moneys so borrowed within a period not exceeding forty-two years from the date or respective dates of borrowing the same by such one or more of the following methods as they may see fit (that is to say) either by repaying an equal portion of principal every year or by means of equal annual instalments of principal and interest or by means of an accumulating sinking fund.

All moneys borrowed under the powers of this Act shall be applied only to purposes to which capital is properly applicable.

The SCHEDULE above referred to.

Form of Transfer of Undertaking.

In pursuance of and subject to the provisions of the Liverpool Electric Supply (Transfer) Act 1896 the Liverpool Electric Supply Company Limited in consideration of do hereby convey their undertaking unto the Corporation of Liverpool and the said Corporation do hereby accept the same accordingly.

In witness whereof the parties hereto have hereto set their respective common seals this day of one thousand eight hundred and ninety .

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