CHAPTER li.

An Act to authorise the London Midland and Scottish Railway Company to raise additional capital and for other purposes. A.D. 1925.

[31st July 1925.]

WHEREAS it is expedient that the London Midland and Scottish Railway Company (in this Act referred to as "the Company") should be empowered to raise additional capital for the general purposes of their undertaking by the creation and issue of stock and by borrowing as by this Act provided:

And whereas it is expedient that the other provisions contained in this Act should be made:

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 King'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:—

1. This Act may be cited for all purposes as the London Midland and Scottish Railway (New Capital) Act 1925. Short title.

2. In this Act unless there be something in the subject or context repugnant to such construction the several words and expressions to which meanings are Interpretation.

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assigned by the Acts wholly or partially incorporated herewith have in relation to the relative subject-matter the same respective meanings And—

"The Company" means the London Midland and Scottish Railway Company; and

"The Scheme of 1923" means the North Western Midland and West Scottish Group Amalgamation Scheme 1923.

Incorporation of general Acts.

3. The Companies Clauses Consolidation Act 1845 section 15 of the Companies Clauses Consolidation (Scotland) Act 1845 and Parts I. II. and III. of the Companies Clauses Act 1863 as incorporated with and varied by the Scheme of 1923 so far as the same are applicable for the purposes and are not inconsistent with the provisions of this Act are incorporated with and form part of this Act.

Additional capital.

4. The Company may raise by the creation and issue of new stock such additional capital as they shall think necessary not exceeding seven million five hundred thousand pounds and the Company may create and issue such new stock either wholly or partially as ordinary stock or wholly or partially as preference stock as they may think fit Provided that notwithstanding anything contained in the Companies Clauses Act 1863 any such preference stock may bear such rate of dividend as the directors of the Company determine at the time or times of the creation or issue thereof.

New preference stock may rank with existing preference stock.

5. The Company may by the resolution creating or authorising the creation of any new preference stock under the powers of this Act determine that such new preference stock shall form part of or rank pari passu with any of the then existing preference stocks of the Company but any such new preference stock may bear such rate of dividend as the directors of the Company at the time or times of the creation or issue thereof determine.

Disposal of new stock.

6. The Company may in issuing any new stock under the powers of this Act dispose of the same at such times to such persons on such terms and conditions and in such manner as the directors of the Company think advantageous to the Company.

Power to cancel unissued stock.

7. If the Company after having created any new stock in respect of such additional capital determine not to issue the whole of the stock created they may cancel the unissued stock and may from time to time thereafter create and issue instead thereof other new stock of an aggregate amount not exceeding the aggregate amount of the stock so cancelled.

Additional ordinary capital subject to same incidents as original ordinary capital.

8. Any new stock created by the Company under this Act otherwise than as debenture or preference stock or loan shall be subject and entitled to the same powers provisions forfeitures liabilities rights privileges and incidents whatsoever in all respects as if that stock were part of the original ordinary stock of the Company.

Restrictions as to votes in respect of new stock.

9. The holders of stock other than debenture stock which may be created by the Company under the provisions of this Act shall have the like rights of voting as are conferred upon holders of stock other than debenture stock by section 13 of the Scheme of 1923.

Power to borrow.

10. The Company may in respect of the additional capital which they are by this Act authorised to raise borrow on mortgage of their undertaking any sums not exceeding in the whole one-third of the amount of the additional capital by this Act authorised and of such sums the Company may borrow from time to time any sum or sums not exceeding in the whole one-third part of the amount of the said additional capital which at the time has been actually issued and accepted but no part thereof shall be borrowed until a sum equal to one-half of the stock so issued and accepted has been paid in respect thereof and the Company have proved to the justice who is to certify under section 40 of the Companies Clauses Consolidation Act 1845 before he so certifies that such stock is held by the persons to whom the same was issued or their executors administrators successors or assigns and that the said sum has been bonâ fide paid in respect thereof 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 has been given which shall be sufficient evidence thereof.

Provisions with respect to appoint-

11. Every provision in any Act or scheme having the force of an Act of Parliament passed prior to the passing of this Act whereby the Company are authorised

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ment of receiver.

to raise by borrowing money for the purposes of their undertaking with respect to the appointment of a receiver for enforcing payment by the Company of arrears of interest or principal or principal and interest shall be and the same is 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.

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. And 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 ten thousand pounds in the whole.

Debenture stock.

12. The Company may create and issue debenture stock subject to the provisions of Part III. of the Companies Clauses Act 1863 and section 26 (Debenture stock) of the Scheme of 1923.

Redemption of stocks.

13. Section 27 (Redeemable preference and debenture stock) and section 28 (Redemption fund) of the Scheme of 1923 shall extend and apply to any preference stock and debenture stock which the Company are by this Act or may from time to time be authorised to create or issue.

Application of moneys.

14. All moneys raised under this Act whether by the issue of stock or by borrowing shall be applied only to purposes to which capital is properly applicable.

Interest on money advanced beyond calls.

15. Nothing in this Act shall prevent the Company from paying such interest on money advanced beyond the amount of calls actually made as is in conformity with the Companies Clauses Consolidation Act 1845 but save as aforesaid no interest or dividend shall be paid out of any capital moneys of the Company.

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 railway or to execute any work or undertaking.

Provision as to general Railway Acts.

17. Except as otherwise expressly provided nothing in this Act contained shall exempt the Company or their railway from the provisions of any general Act relating to railways or the better and more impartial audit of the accounts of railway companies passed before or after the passing of this Act 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.

Costs 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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