CHAPTER cix.

An Act to enable the Manchester Ship Canal Company to raise a portion of their Capital by means of preference shares. [12th July 1887.]

A.D. 1887.

WHEREAS by the Manchester Ship Canal Act 1885 (in this Act called "the Act of 1885") the Manchester Ship Canal Company (in this Act called "the Company") were incorporated and authorised within two years after the passing of that Act to purchase the undertakings known as "the Mersey and Irwell Navigation" and "the Duke of Bridgewater's Canals" for the sum of one million seven hundred and ten thousand pounds and to construct a canal navigable for ocean steamers and ships of large burthen from the River Mersey at Eastham to Manchester with docks at Manchester Salford and Warrington and various subsidiary works and to raise a share capital of eight million pounds in eight hundred thousand shares of ten pounds each and to borrow on mortgage two million pounds:

48 & 49 Vict. c. clxxxviii.

And whereas the time limited for the completion of the works by the Act of 1885 authorised is seven years from the passing thereof (which time will expire on the fifth day of August one thousand eight hundred and ninety-two) but it is provided by section 38 of that Act that the Company shall not execute any of the canal works nor construct any docks under the powers of the said Act unless and until within two years after the passing thereof shares for five million pounds of capital exclusive of any moneys raised by the Company for the purchase of the said undertakings have been issued and accepted and it has been proved to the Board of Trade or if that Board should decline to act then to the stipendiary magistrate for the city of Manchester and that Board or magistrate shall have certified that shares for the whole of the said sum have been issued bonâ fide and are held by the persons or corporations

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to whom the same were issued or their executors administrators successors or assigns and that such persons or corporations or their executors administrators successors or assigns are legally liable for the same:

And whereas it is provided by the Act of 1885 as a condition precedent to the purchase of the said undertakings that the Company should deposit in the Bank of England to the joint credit of the Bridgewater Navigation Company and the Company the sum of twenty thousand pounds as a security for the due completion of the said purchase which sum together with the interest thereon should be forfeited to the Bridgewater Navigation Company if the Company fail to pay the said purchase-money within the time so limited for that purpose and the Company have duly made the said deposit:

49 & 50 Vict. c. cxi.

And whereas by the Manchester Ship Canal Act 1886 (in this Act referred to as "the Act of 1886") the Company were authorised out of the said capital to pay interest to the shareholders in the Company on the amount from time to time paid up on the shares allotted to or held by them respectively from the respective times of such payments at such rate (not exceeding four pounds per centum per annum) and for such time (not exceeding the time limited by the Act of 1885 for the completion of the works thereby authorised) as the directors may determine and subject to certain other conditions by the said Act prescribed:

And whereas the directors have determined in accordance with the provisions in that behalf of the Act of 1886 that the said interest shall be payable after the rate of four pounds per centum per annum during the construction of the said works but not exceeding the said period limited therefor by the Act of 1885:

And whereas the Company have created the whole of the said shares and upwards of seventy-five thousand thereof have been allotted and applications have been already received for upwards of two hundred and twenty-five thousand further shares conditionally on the said amount of capital prescribed by the said section 38 being raised within the period thereby prescribed:

And whereas in order to facilitate the raising of the remainder of the said capital within the period limited by the said section 38 it is expedient that the Company be authorised to attach to a moiety of the said capital a preferential dividend:

And whereas the purposes of this Act 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:— A.D. 1887.

Short title.

1. This Act may be cited as the Manchester Ship Canal Act 1887.

Power to issue portion of capital as preference capital.

2. The Company may attach to four hundred thousand shares part of the share capital of eight million pounds created under the powers of the Act of 1885 a perpetual preferential dividend of five pounds per centum per annum subject to the following conditions and the following provisions shall have effect (that is to say):—

(1.) The said shares shall be numbered consecutively 1 to 400,000 inclusive and shall be called "Manchester Ship Canal Perpetual Five Pounds per Centum Preference Shares" and are in this Act referred to as "preference shares";

(2.) The remaining four hundred thousand shares in the said capital shall be called "Manchester Ship Canal Ordinary Shares" and shall be numbered consecutively 400,001 to 800,000 inclusive and are in this Act referred to as "ordinary shares";

(3.) The shares already allotted shall be ordinary shares;

(4.) No preference shares shall be allotted unless and until not less than three hundred thousand ordinary shares have been allotted and two pounds shall have been paid on each separate share;

(5.) The preference shares shall be issued subject to the payment of calls of such amounts and at such times as the directors think fit Provided that not more than six pounds shall be called up on any preference share until a like amount shall have been called up on each ordinary share and that not more than six pounds shall be called up on any ordinary share until a like amount shall have been called up on each preference share;

(6.) The interest payable on the preference shares under the provisions of the Act of 1886 during the construction of the said works shall be after the rate of four pounds per centum per annum;

(7.) The preference shares shall from and after the fifth day of August one thousand eight hundred and ninety-two or the completion of the works whichever shall first happen be entitled to a preferential dividend after the rate of five pounds per centum per annum out of the profits of each year in priority to the ordinary shares but if in any year ending on the thirty-first day of December there are not profits available for the payment of the full amount of dividend on the preference

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shares in respect of that year 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;

(8.) The terms and conditions to which the preference shares are subject shall be clearly stated on the certificates thereof.

Provisions as to Merchant Shipping Act and general Acts.

3. Nothing in this Act contained shall exempt the canal or docks of the Company from the provisions of the Merchant Shipping Act 1854 or any general Acts relating to docks or dues on shipping or on goods carried in ships now in force or which shall be passed during the present or any future session of Parliament or from any future revision or alteration under the authority of Parliament of the dock rates or duties by the Act of 1885 authorised.

Provision as to general Railway Acts.

4. 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 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 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 Act of 1885.

Costs of Act.

5. 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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