CHAPTER cxxxvii.

An Act for incorporating and conferring Powers on the Morecambe Gas and Light Company. [21st July 1879.[

A.D. 1879.

WHEREAS in the year one thousand eight hundred and fifty-eight certain persons formed themselves into a gas company under the name of the Morecambe Gas Company (Limited) (herein-after referred to as the Limited Company), for the purpose of supplying with gas the town of Morecambe, and the township of Poulton Bare and Torrisholme, and the parish of Heysham, all in the county of Lancaster, and generally for carrying on the business usually carried on by gas companies, and such company was duly registered under the Joint Stock Companies Act, 1856:

19 & 20 Vict. c. 47.

And whereas the share capital of the Limited Company at the date of its registration was fixed at two thousand pounds, divided into four hundred shares of five pounds each, of which the whole has been subscribed and paid up:

And whereas the Limited Company, since the year one thousand eight hundred and fifty-eight, have from time to time, by special resolution, increased their capital by the aggregate sum of ten thousand pounds, and created in respect thereof two thousand shares of five pounds each, of which the whole has been subscribed and paid up, which two thousand shares and the original four hundred shares are in this Act referred to as "the first series of shares":

And whereas the Limited Company, in order to provide additional storage power and other works immediately required in connexion with their undertaking, recently, by special resolution, further increased their capital by the sum of twelve thousand pounds, and have created in respect thereof two thousand four hundred shares of five pounds each, of which the whole has been issued and accepted, which shares are in this Act referred to as "the second series of shares":

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And whereas the Limited Company do not owe any money on mortgage or bond:

And whereas the Limited Company purchased the piece of land described in Part I. of the schedule to this Act, and erected gasworks thereon, and have from time to time improved and enlarged the same with the capital raised by them, and are now supplying gas within the limits aforesaid:

And whereas the demand for gas in the district supplied by the Limited Company has increased and is increasing, and certain adjoining places are without a supply of gas, and it is expedient that the limits of supply of the Limited Company be extended, and that the Company be authorised to acquire more land, to construct additional works, and to raise additional capital:

And whereas it is expedient that the Company be authorised to construct and maintain a certain siding in connexion with their additional works, but no compulsory powers are required for that purpose except as regards the railway company affected:

And whereas it is expedient that the Limited Company be dissolved and re-incorporated with further powers:

19 & 20 Vict. c. vi.

And whereas by the Lancaster Gas Company's Act, 1856, that company were empowered to supply gas to (inter alia) some of the places within the limits of this Act, and it is expedient that their powers so to do be determined:

And whereas the objects aforesaid cannot be effected without the authority of Parliament:

And whereas plans and sections showing the line, situation, and levels of the siding by this Act authorised, and plans showing the lands required or which may be taken for the purposes or under the powers of this Act, and a book of reference to those plans containing the names of the owners and lessees, or reputed owners and lessees, and of the occupiers of such lands, were duly deposited with the clerk of the peace for the county palatine of Lancaster, and are herein-after respectively referred to as the deposited plans, sections, and book of reference:

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 Morecambe Gas Act, 1879.

Incorporation of general Acts. 8 & 9 Vict. c. 16.

2. The Companies Clauses Consolidation Act, 1845, Part I. (cancellation and surrender of shares), Part II. (additional capital),

and Part III. (debenture stock) of the Companies Clauses Act, 1863, as amended by the Companies Clauses Act, 1869, the Lands Clauses Consolidation Acts, 1845, 1860, and 1869, and the Gasworks Clauses Act, 1847, (except the provisions thereof with respect to the amount of profit to be received by the undertakers,) are (subject to the provisions of this Act) incorporated with and form part of this Act.

26 & 27 Vict. c. 118
32 & 33 Vict. c. 48.
8 & 9 Vict. c. 18.
23 & 24 Vict. c. 106.
32 & 33 Vict. c. 18.
10 & 11 Vict. c. 15.

3. The Gasworks Clauses Act, 1871, shall apply to the existing undertaking of the Limited Company as if the same had been authorised by this Act, but the provisions thereof with respect to accounts shall, for the purposes of this Act, be varied as follows; (that is to say,) the Company shall fill up and forward to the local authority on or before the twenty-ninth day of September in each year the annual statement of accounts prescribed by that Act made up to the thirtieth day of June then next preceding, instead of the periods mentioned in that Act, and the first of such statements shall be made up from the first day of July one thousand eight hundred and seventy-nine.

Application of 34 & 35 Vict. c. 41. to this Act.

4. In this Act the several words and expressions to which meanings are assigned by the Acts wholly or partially incorporated herewith shall have the same respective meanings, unless there be something in the subject or context repugnant to such construction.

Interpretation of terms.

The expression "the Company" shall mean the company incorporated by this Act:

The expression "the works" and "the gasworks" shall respectively mean and include the gasworks and works connected therewith by this Act vested in or authorised to be made or maintained by the Company, and any improvement thereof which they may construct under the powers of this Act, and the lands, buildings, estate, right, title, property, privileges, effects, and undertaking of the Company, and every part thereof respectively:

The expressions "superior courts" or "court of competent jurisdiction," or any other like expression in this Act or any Act wholly or partially incorporated herewith, shall, for the purposes of this Act, be read and have effect as if the debt or demand in respect of which the expression is used were a common simple contract debt, and not a debt or demand created by statute.

5. The limits of this Act shall be the town of Morecambe, and the township of Poulton Bare and Torrisholme, in the parish of Lancaster, the part of the township of Skerton, near the village

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of Bare, known as "Skerton Detached," the township of Slyne with Hest, in the parish of Bolton by the Sands, and the parish of Heysham, all in the county of Lancaster, and from and after the passing of this Act so much of section 4 of the Lancaster Gas Company's Act, 1856, as comprises within the limits of that Act any of the places comprised within the limits of this Act shall be repealed.

Incorporation of Company.

6. From and after the passing of this Act the Limited Company shall be dissolved, and the several persons and corporations who immediately before the passing of this Act were members of that Company, and all other persons and corporations who have subscribed to or who shall hereafter become proprietors in the undertaking of the Company, and their executors, administrators, successors, and assigns respectively, shall be and they are hereby united into a company for the purposes herein-after mentioned, and shall be incorporated by the name of "The Morecambe Gas and Light Company," and by that name shall be a body corporate with perpetual succession and a common seal, with power to purchase, take, hold, and dispose of lands and other property for the purposes of this Act.

General purposes of the Company.

7. The Company shall be established for the purposes following; (namely,)

Supplying gas within the limits of this Act, manufacturing, storing, and dealing in gas and residual products, and gas meters, fittings, and other apparatus, carrying on the business usually carried on by gas companies or persons dealing in any of the matters and things aforesaid or which is or may become incident thereto, and generally for carrying the powers of this Act into execution.

Present property of LimitedCompany vested in Company incorporated by this Act.

8. Subject to the provisions of this Act, all the lands, gasworks, erections, buildings, rights, and easements which immediately before the passing of this Act were vested in the Limited Company, or any person in trust for them, or to which the Limited Company were in anywise entitled, and all mains and pipes, plant, plugs, lamps, irons, retorts, gauges, meters, lamp-posts, syphons, apparatus, stock, effects, matters, and things which have been by them purchased, provided, laid down, erected, or placed in any place or house within the limits of this Act or which immediately before the passing of this Act were the property of the Limited Company, and all moneys, securities, credits, effects, and other property whatsoever which immediately before the passing of this Act belonged to the Limited Company, or to any trustee on their behalf, and the benefit of all contracts and engagements

entered into by or on behalf of the Limited Company and immediately before the passing of this Act in force, shall be and the same are hereby vested in the Company to the same extent and for the same estate and interest as the same were previously to the passing of this Act vested in the Limited Company, or any trustee on their behalf, and may, according to the provisions of this Act, be held and enjoyed, sued for and recovered, maintained, altered, discontinued, removed, dealt with, and disposed of by the Company as they think fit.

Memorandum and articles of association of the Limited Company to be void, without prejudice to remedies for antecedent breaches thereof.

9. Subject to the provisions of this Act, the memorandum and articles of association of the Limited Company shall, as to any prospective operation thereof, be wholly void, and the Company and the shareholders shall be exempted from all the provisions, restrictions, and requirements of any Act which applied to the Limited Company and the members thereof as such; but nothing in this Act contained shall release or discharge any person from any liability or obligation in respect of any breach of the provisions of the said memorandum or articles of association incurred before the passing of this Act, but such liability or obligation in respect of any such breach shall continue, and, save as in this Act otherwise provided, may be enforced by or on behalf of the Company as nearly as may be in like manner as the same might have been enforced by or on behalf of the Limited Company if this Act had not been passed.

Nothing to affect previous rights and liabilities.

10. Except as is by this Act otherwise expressly provided, everything before the passing of this Act done or suffered by or with reference to the Limited Company, or the members thereof as such, shall be as valid as if the Company had not been incorporated and the said memorandum and articles of association had not been avoided by this Act, and such incorporation and avoidance and this Act respectively shall accordingly be subject and without prejudice to everything so done or suffered, and to all rights, liabilities, claims, and demands, both present and future, which, if the Company were not incorporated and the said memorandum and articles of association were not avoided by this Act and this Act were not passed, would be incident to or consequent on any and every thing so done or suffered, and with respect to all such rights, liabilities, claims, and demands the Company and its shareholders and property shall to all intents and purposes represent the Limited Company and the members thereof as such, and the property of the Limited Company, as the case may be; and the generality of this enactment shall not be restricted by any of the other clauses and provisions of this Act.

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Contracts prior to Act to be binding.

11. Except as is by this Act otherwise specially provided, all purchases, sales, conveyances, grants, assurances, deeds, contracts, bonds, and agreements entered into or made before the passing of this Act by, to, or with the Limited Company, or any trustees or persons acting on behalf of the Limited Company, or by, to, or with any other person to whose rights and liabilities they have succeeded, and now in force, shall be as binding and of as full force and effect in every respect against or in favour of the Company, and may be enforced as fully and effectually, as if instead of the Limited Company, or the trustees or persons acting on behalf of the Limited Company, the Company had been a party thereto.

Actions, &c. not to abate.

12. Nothing in this Act contained shall release, discharge, or suspend any action, suit, or other proceeding at law or in equity which was pending by or against the Limited Company, or any member thereof in relation to the affairs of the Limited Company, or to which the Limited Company, or any member thereof in relation to such affairs, were parties immediately before the passing of this Act, but such action, suit, or other proceeding may be maintained, prosecuted, or continued by or in favour of or against the Company (as the case may be) in the same manner and as effectually and advantageously as the same might have been maintained, prosecuted, or continued by or in favour of or against the Limited Company, or any member thereof, if this Act had not been passed, the Company and the shareholders therein being, in reference to the matters aforesaid, in all respects substituted for the Limited Company and its members respectively.

Trustees of Limited Company to be indemnified.

13. Every trustee or other person in whom or in whose name any lands, works, buildings, easements, rights, property, or effects belonging to the Limited Company were vested immediately before the passing of this Act, and who (being authorised so to do) entered into any bond, covenant, contract, or engagement in respect of the same or otherwise on behalf of the Limited Company, shall be indemnified out of the funds and property of the Company against all liability (including costs, charges, and expenses) which he may sustain or incur or be put unto by reason of his having entered into such bond, covenant, contract, or engagement.

Company to satisfy liabilities of Limited Company.

14. From and after the passing of this Act, and except as is by this Act otherwise expressly provided, the Company shall in all respects be subject to and shall discharge all obligations and liabilities to which the Limited Company immediately before

the passing of this Act were subject, and shall indemnify the members, directors, officers, and servants of the Limited Company and their respective representatives from all such obligations and liabilities, and from all expenses and costs in that behalf.

Recovery of gas rents, &c.

15. All gas rents and sums of money which immediately before the passing of this Act were due or accruing to the Limited Company shall be payable to and may be collected and recovered by the Company in like manner as if they had become payable for the like matters supplied or done under this Act.

As to payment of debts owing before passing of Act.

16. All persons who immediately before the passing of this Act owed any money to the Limited Company or to any person on their behalf shall pay the same, with all interest (if any) due or accruing upon the same, to the Company, and all debts and moneys which immediately before the passing of this Act were due or recoverable from the Limited Company, or for the payment of which the Limited Company were or but for this Act would be liable, shall be paid, with all interest (if any) due or accruing upon the same, by or be recoverable from the Company.

Certificates, &c. to remain in force.

17. Notwithstanding the avoidance of the said memorandum and articles of association, all certificates (until cancelled under the powers of this Act), sales, transfers, and dispositions heretofore made or executed under them for and with respect to any shares in the Limited Company shall remain in full force and continue and be available in all respects as if they had not been avoided.

Books, &c. continued evidence.

18. All documents, books, and writings which if the said dissolution and avoidance had not taken place would have been receivable in evidence shall be admitted as evidence in all courts of law and equity and elsewhere notwithstanding such dissolution and avoidance.

Officers to continue until removed.

19. All officers and servants of the Limited Company who were in office immediately before the passing of this Act shall hold and enjoy their respective offices and employments, together with the salaries and emoluments thereunto annexed, until they shall resign the same or be removed therefrom by the Company, and shall be subject and liable to the like conditions, obligations, pains, and penalties, and to the like powers of removal, and to the like rules, restrictions, and regulations in all respects whatsoever as if they had been appointed under this Act.

Present registers of members to be continued.

20. The books kept by the Limited Company for entering the names and designations of the members thereof, with the numbers of their shares and the proper distinguishing number of such

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shares, shall and may continue to be kept for the same purpose by the Company, and shall, until some other register of shareholders shall be provided by the Company, be taken and considered as the register of shareholders required to be kept by the Companies Clauses Consolidation Act, 1845.

Capital.

21. The capital of the Company shall be thirty-six thousand pounds, whereof twenty thousand pounds is in this Act called the original capital and sixteen thousand pounds is in this Act called the additional capital, and shall be raised in manner herein-after mentioned, and the original capital, as to twelve thousand pounds thereof, shall consist of stock, in this Act called the original stock, and the remaining eight thousand pounds thereof shall be divided into eight hundred shares of ten pounds each, which shares are in this Act called the old shares; and the Company may convert into stock the whole or any part of the old shares or additional capital when fully paid up.

Vesting of original capital in present shareholders.

22. Subject to the provisions of this Act, the original capital shall be appropriated to, vested in, and distributed among the several persons who immediately before the passing of this Act were the registered members of the Limited Company, as follows: the original stock shall be vested in such members who are then holders of the first series of shares in the proportion of five pounds of stock for each such existing share and in substitution for such share, and the old shares shall be vested in and divided among such members who are then holders of the second series of shares in the proportion of one old share for every three such existing shares of the Limited Company and in substitution for such existing shares of the Limited Company: Provided always, that in order to effect such distribution in cases in which a single share or a number of the second series of shares of the Limited Company, not being three or a number divisible by three, is at the time of the passing of this Act held by any member of the Limited Company, the Company may divide into third-shares a sufficient number of the old shares, and one of such third-shares shall be vested in and appropriated to every such member of the Limited Company in substitution for each such share, and every sum of stock or share or third-share (as the case may be) so vested shall be subject to the same liability for calls, and subject and liable to the same trusts, powers, provisions, declarations, agreements, charges, liens, and incumbrances, as immediately before the passing of this Act affected the shares or share for which the same is substituted, and so as to give effect to and not revoke any testamentary disposition of or affecting the same: Provided always, that if at any time after the creation of

such third-shares three of such third-shares shall become vested in the same person or persons, body, or corporation, such three third-shares shall immediately merge and become consolidated into one entire share of ten pounds, and be for ever thereafter dealt with as an old share.

Third-shares to be numbered and registered.

23. Such third-shares shall be numbered in arithmetical progression, beginning with number one, and every third-share shall be distinguished by its appropriate number and entered in the register of shareholders. The directors shall cause an entry to be made in the register of shareholders of the division of any old share into third-shares, and after the consolidation of any third-shares into entire shares shall cause an entry thereof to be made in such register, and the last-mentioned shares shall be numbered in arithmetical progression next after the then existing entire old shares, and be thenceforth entered in the register of shareholders and distinguished by their appropriate numbers.

Third-shares to be third-shares in the capital of the Company, but not to confer right of voting.

24. The several third-shares under this Act shall be third-shares in the capital of the Company, and, subject as herein-after mentioned, shall confer, have, and be subject to all such rights, qualifications, privileges, liabilities, and incidents as attach and are incident to entire shares, but no such third-share shall confer a right of voting at meetings of the Company.

Company shall call in and cancel existing share certificates and issue new certificates in lieu thereof.

25. Subject to the provisions of this Act, the Company shall call in and cancel the existing certificates of shares in the Limited Company, and issue in lieu thereof certificates, both in respect of stock, shares, and third-shares, in the form and under the conditions prescribed by the Companies Clauses Consolidation Act, 1845, but the holders of such existing certificates of shares shall not be entitled to any certificates of proprietorship under this Act until they shall have delivered up to the Company to be cancelled the certificates of proprietorship in the Limited Company issued to them before the passing of this Act, or shall have proved to the reasonable satisfaction of the directors the loss or destruction thereof.

Power to Company to raise additional capital.

26. The Company may from time to time raise (in addition to their original capital) any further capital, not exceeding in the whole sixteen thousand pounds, by the creation and issue of new ordinary shares or stock or new preference shares or stock, or wholly or partially by one or more of those modes respectively, but the Company shall not issue any such share of less nominal value than ten pounds, nor shall any such share or stock vest in the person or corporation accepting the same unless and until the full nominal amount of such share or stock, together with any premium obtained upon the sale thereof, shall have been paid in

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respect thereof: Provided that it shall not be lawful for the Company to create and issue under the powers of this Act any greater nominal amount of additional capital than shall be sufficient to produce (including any premiums which may be obtained at the sale thereof) the sum of sixteen thousand pounds.

Restriction on amount of capital to be issued in any one year.

27. Subject to the proviso next herein-after contained, the Company shall not create and issue within the year following the passing of this Act any greater nominal amount of capital than shall be sufficient to produce in manner aforesaid five thousand pounds, or within any subsequent year two thousand pounds: Provided that if in any year or years the Company have not created and issued capital to the full amount herein-before prescribed in relation to such year or years, they may in any subsequent year create and issue, in addition to the amount prescribed for that year, such a nominal amount of capital as shall be sufficient, together with the amount then raised, to produce in manner aforesaid five thousand pounds in respect of the year following the passing of this Act and two thousand pounds in respect of every subsequent year then expired.

New shares or stock to be offered by auction or tender.

28. Notwithstanding anything in this Act contained, the Company shall, when any shares or stock of the additional capital created under the powers of this Act are to be issued, and before offering the same to the holder of any other shares or stock in the Company, and whether the ordinary shares or ordinary stock of the Company are or is at a premium or not, offer the same for sale by public auction or by tender in such manner, at such times, and subject to such conditions of sale as the Company shall from time to time determine: Provided that at any such sale no single lot shall comprise more than one hundred pounds nominal value of shares or stock, and that the reserved price put upon such shares or stock shall not be less than the nominal amount thereof, and notice of the amount of such reserved price shall be sent by the Company in a sealed letter to the Board of Trade not less than twenty-four hours before the day of auction or the last day for the reception of tenders, as the case may be, and such letter may be opened after such day of auction or last day for the reception of tenders, and not sooner.

Purchase money if capital sold by auction to be paid within three months.

29. It shall be one of the conditions of any sale of shares or stock under this Act that the whole nominal amount thereof, together with any premiums given by any purchaser at such sale, shall be paid to the Company within three months after such sale.

As to notice to be given as to sale, &c. of shares.

30. The intention to sell any such shares or stock by auction or by tender shall be communicated in writing to the clerk to the Local Board of Health for the district of Poulton Bare and Torrisholme and to the secretary of the Committee of the London Stock Exchange at least twenty-eight days before the day of auction or the last day for the reception of tenders, as the case may be; and notice of such intention shall be duly advertised once in each of two consecutive weeks in one or more local newspapers circulating within the district of the said local board.

When shareholder bids or tenders for a share the same amount as any other person, shareholder to be declared purchaser.

31. When the amount bidden or tendered by the proprietor of any shares or stock of the Company (in this Act referred to as a "proprietor") for any shares or stock offered for sale by auction or by tender under the provisions of this Act is equal to the highest amount bidden or tendered for such last-mentioned shares or stock by any person not being a proprietor, then and in every such case such proprietor shall be declared to be the purchaser of and entitled to such shares or stock.

Shares not sold by auction or by tender to be offered to shareholders.

32. When any shares or stock created under the powers of this Act have been offered for sale by auction or tender and not sold, the same shall be offered, at the reserved price put upon the same respectively for the purpose of sale by auction or tender, to the holders of ordinary shares or ordinary stock of the Company in manner provided by the Companies Clauses Act, 1863: Provided always, that any shares or stock so offered and not accepted within the time prescribed by the said Act shall again be offered for sale by public auction or by tender in the manner and subject to the provisions of this Act with respect to the sale of shares and stock created under the powers of this Act, except that the reserved price put upon such shares or stock may, if the directors think fit, be less an the nominal amount thereof.

Application of premium arising on issue of shares or stock.

33. Any sum of money which shall arise from the issue of any such shares or stock by way of premium, after deducting therefrom the expenses of and incident to such issue, shall not be considered as profits of the Company, but shall be expended in extending or improving the works of the Company, or in paying off money borrowed or owing on mortgage by the Company, and shall not be considered as part of the capital of the Company entitled to dividend.

Standard of dividend.

34. Except as in this Act otherwise provided, the profits of the Company to be divided among the shareholders in respect of any one year shall not exceed the rates following; (that is to say,)

(*a.*) On the original capital the rate of ten pounds in respect of every one hundred pounds actually paid up;

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(*b.*) On the additional capital issued under the powers of this Act the rate of seven pounds in respect of every one hundred pounds actually paid up of such capital, as shall be issued as ordinary capital, and the rate of six pounds in respect of every one hundred pounds actually paid up of such capital as shall be issued as preference capital,

which rates of ten pounds as respects the original capital and of seven pounds as respects the additional capital (subject to the reduction and increase thereof herein-after provided for) are respectively in this Act referred to as the standard rates of dividend.

Dividends on different classes of stock or shares to be paid proportionately.

35. If in any half-year the net moneys of the Company applicable to the payment of dividend be insufficient to pay the full amount of the standard rate of dividend on each class of ordinary stock or shares in the capital of the Company, a proportionate reduction shall be made in the dividend of each class.

Standard price of gas, with sliding scale as to dividend.

36. The standard price to be charged by the Company for gas supplied by them shall be five shillings per thousand cubic feet: Provided that the Company may increase or diminish such standard price, subject to a decrease or increase in the standard rates of dividend as defined by this Act, to be calculated as follows:

For every penny charged in excess or in diminution of such standard price in any year the standard rates of dividend shall for such year be reduced or increased by five shillings in the hundred pounds per annum.

If profits exceed the amount limited, excess may be invested and form an insurance fund.

37. If the clear profits of the undertaking of the Company in any year amount to a larger sum than is sufficient to pay the rates of dividend by this Act authorised, the excess beyond the sum necessary for that purpose may from time to time, to the extent of one per centum per annum upon the paid-up capital of the Company, be invested in Government or other securities in which trustees are by law for the time being authorised to invest, and the dividends and interest arising from such securities shall also be invested in the same or like securities, in order that the same may accumulate at compound interest until the fund so formed amounts to a sum equal to one twentieth of the paid-up capital of the Company, which sum shall form an insurance fund to meet any extraordinary claim, demand, or charge which may at any time arise against or fall upon the Company from accidents, strikes, or other circumstances which in the opinion of a justice due care and management could not have prevented, and if such fund be at any time reduced it may thereafter be again made up to the said sum, and so from time to

time as often as such reduction shall happen: Provided, that when and so often as the said fund shall reach one-twentieth part of the paid-up capital the interest thereon shall be carried to the credit of the fund available for dividend: Provided also, that resort may from time to time be had to the insurance fund to meet any extraordinary claim or demand as aforesaid, although such fund may not at the time have reached or may have been reduced below the full amount of one twentieth as aforesaid.

Application of excess of profits over authorised rates of dividend.

38. If the clear profits of the undertaking of the Company in any year amount to a larger sum than is sufficient to pay the rates of dividend by this Act authorised on the ordinary share capital or stock of the Company, the excess, or such portion of it as is not carried to the insurance fund, shall be carried to the credit of the divisible profits of such undertaking for the next following year.

Power to create a reserve fund out of dividends in excess of the standard rates of dividend, and application thereof.

39. Where in any year the amount of the standard rates of dividend of the Company on the ordinary share capital or stock of the Company shall by reason of a diminution of the standard price charged by the Company in such year be increased, then, out of the amount of the divisible profits of the Company applicable to the payment of such increase, the Company may in such year set apart such sum as they shall think fit, and all sums (if any) so set apart by the Company, and any reserve or other fund of the Company existing at the passing of this Act, may be invested in Government or other securities in which trustees are by law for the time being authorised to invest, and the dividends and interest arising from such securities may also be invested in the same or the like securities, in order that the same may accumulate at compound interest, and the fund so formed shall be called "The Reserve Fund," and shall be applicable to the payment of dividend in any year in which the clear profits of the Company shall be insufficient to enable the Company in such year to pay the rates of dividend authorised by this Act on the ordinary share capital or stock of the Company, and, save as in this Act otherwise provided, no sum shall in any year be carried by the Company to any reserve fund.

Power to borrow on mortgage in respect of original capital.

40. The Company may at any time and from time to time, after the passing of this Act, borrow on mortgage in respect of the original capital of twenty thousand pounds any sum not exceeding in the whole five thousand pounds.

Power to borrow on mortgage in respect of additional capital.

41. In addition to the sum of five thousand pounds which the Company are authorised to borrow in respect of the original capital, they may from time to time, subject to the provisions of this Act, borrow on mortgage, in respect of the additional capital of

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sixteen thousand pounds by this Act authorised to be raised by shares or stock, any sum or sums not exceeding in the whole one-fourth part of the amount of such additional capital at the time actually issued by shares or stock, but no part thereof shall be borrowed until the whole of the shares or stock at the time issued, together with the premium (if any) realised on the sale thereof, shall have been fully paid up, and the Company have proved to the justice who is to certify under the fortieth section of the Companies Clauses Consolidation Act, 1845, before he so certifies, that such shares and stock and premium (if any) have been issued and fully paid up; and 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 certificate shall be sufficient evidence thereof.

As to conversion of borrowed money into capital.

42. The Company shall not have power to raise the money by this Act authorised to be borrowed on mortgage, or any part thereof, by the creation of shares or stock instead of borrowing, or to convert into capital the amount borrowed under the provisions of this Act, or any part thereof, unless in either case all dividends upon the shares or stock so created, whether ordinary or preferential, are limited to a rate not exceeding five pounds per centum per annum.

Priority of mortgages over other debts.

43. All moneys to be borrowed under the powers of this Act, and the interest thereon, shall have priority against the Company, and the property from time to time of the Company, over all other claims on account of any debts incurred or engagements entered into by them after the passing of this Act; but this priority shall not affect any claim against the Company or their property in respect of any rentcharge to be granted by them in pursuance of the Lands Clauses Consolidation Act, 1845, or the Lands Clauses Consolidation Acts Amendment Act, 1860, or in respect of any rent or sum reserved by or payable under any lease to be granted or made to the Company, in pursuance of any Act relating to the Company, which is entitled to rank in priority to or pari passu with the interest or dividend on their mortgages or debenture stock, nor shall anything herein-before contained affect any claim in respect of land taken, used, or occupied by them for the purposes of this Act or injuriously affected by the exercise of any of the powers of this Act.

Appointment of receiver.

44. 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 principal the

amount owing to the mortgagees by whom the application for a receiver is made shall not be less in the whole than one thousand pounds. A.D. 1879.

Power to create debenture stock.

45. Subject to the provisions of Part III. of the Companies Clauses Act, 1863, the Company may create and issue debenture stock, but the interest of all debenture stock at any time created and issued by the Company shall rank pari passu with the interest of all mortgages at any time granted by the Company, and shall have priority over all principal moneys secured by such mortgages.

Application of moneys.

46. All moneys raised under this Act, whether by shares, stock, debenture stock, or borrowing, shall be applied for the purposes of this Act only.

First ordinary meeting.

47. The first ordinary meeting of the Company shall be held within six months after the passing of this Act.

Quorum of meetings.

48. The quorum to constitute a general meeting of the Company, whether ordinary or extraordinary, shall be eight shareholders holding in the aggregate not less than two thousand pounds nominal value in the capital of the Company.

Scale of voting.

49. At all meetings of the Company every proprietor of capital of the Company, whether ordinary or preference, shall have one vote for every ten pounds of such capital held by him, whether in shares or stock or partly in shares or partly in stock.

Number of directors.

50. The number of directors shall be seven, but the Company may from time to time reduce the number, provided that the number be not less than three.

Qualification of directors.

51. The qualification of a director shall be the possession in his own right of not less than three hundred pounds of the capital of the Company in shares or stock.

Quorum.

52. The quorum of a meeting of directors shall be four, unless the number is reduced to four or three, when the quorum shall be two.

Number of shareholders to call extraordinary meetings.

53. The number of shareholders who may require an extraordinary meeting to be convened shall not be less than ten, holding in the aggregate not less than four thousand pounds in the capital of the Company.

First directors.

54. William Roper, Robert Briggs, James Tetley, John Birkby, Richard Peckover, William Baxter, and Robert Birkett shall be the first directors of the Company, and shall continue in office until the first ordinary meeting held after the passing of this Act. At that meeting the holders of shares or stock present in person or by proxy may either continue in office the directors appointed

Election of directors.

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by this Act, or any of them, or may elect a new body of directors, or directors to supply the place of those not continued in office, the directors appointed by this Act being, if qualified, eligible for re-election; and at the first ordinary meeting to be held in every year after the first ordinary meeting the holders of shares or stock present in person or by proxy shall (subject to the power hereinbefore contained for reducing the number of directors) elect persons to supply the places of the directors then retiring from office, agreeably to the provisions of the Companies Clauses Consolidation Act, 1845, and the several persons elected at any such meeting, being neither removed nor disqualified, nor having died or resigned, shall continue to be directors until others are elected in their stead in manner provided by the same Act.

Power to make siding.

55. Subject to the provisions of this Act, the Company may, in the line and according to the levels shown on the deposited plans and sections, make and maintain the following siding; (that is to say,)

A siding eight chains and a half, or thereabouts, in length, commencing by a junction with the Morecambe Branch of the London and North-western Railway, at a point opposite their three-quarter mile-post east of the Poulton Lane Station, and terminating at a point in the close of land firstly described in Part II. of the schedule to this Act, four chains, or thereabouts, south of the same Morecambe Branch,

with all proper branches, approaches, embankments, turntables, works, and other conveniences connected therewith, and the Company may lay down rails upon such siding, and use the same for the conveyance of coal, coke, and other materials between the said railway and the Company's works: Provided always, that the junction of the siding with the said Morecambe Branch Railway shall be made and remain as a single line, and at such point within the limits of deviation shown on the deposited plans as the principal engineer of the London and North-western Railway Company shall in writing approve, or, if such engineer shall in writing so require, only by means of a siding to connect with the said Morecambe Branch; such connecting siding and all needful incidental conveniences are to be made and maintained by and in all respects at the expense of the Company, and such siding shall be made and maintained according to the levels thereof as shown on the deposited sections, and so that the occupation road No. 4 on the said plans shall be crossed on the level, and the level thereof shall not be altered; and further, that such siding shall, on the property of that Company delineated on the deposited plans,

be made and maintained as a single line only, unless that company shall, by writing under their common seal, otherwise agree. A.D. 1879.

Power to deviate.

56. In making any of the works shown on the deposited plans the Company may, for other than the junction of the siding with the said Morecambe Branch Railway, deviate laterally within the limits of deviation shown on the deposited plans, and beyond those limits with the consent of the person in whose lands such deviation is to be made.

Provision as to junction with railway.

57. In carrying into effect the junction and other works by this Act authorised affecting the railway of the London and North-western Railway Company (herein-after called "the railway company"), the following provisions for the protection of the railway company shall be observed and have effect; (that is to say,)

(1.) All interference with the works of the railway company shall be made according to plans and specifications to be reasonably approved by and to be executed under the superintendence and to the reasonable satisfaction of the engineer for the time being of the railway company, and in all respects at the expense of the Company; when the works for or connected with the making and maintaining the siding and the connecting siding, if any such there shall be, are commenced, they shall be proceeded with and completed with all due despatch:

(2.) With respect to any lands belonging to the railway company which the Company are by this Act authorised to use, enter upon, or interfere with for the purposes of the junction, the Company shall not, except by agreement, purchase and take the same, but the Company may purchase and take, and the railway company may and shall sell and grant accordingly, an easement or right of using the same for the purposes of the junction; and the amount to be paid for the acquisition of such easement or for right of user shall be ascertained in case of difference in the manner provided by the Lands Clauses Consolidation Act, 1845, with respect to the purchase of lands otherwise than by agreement:

(3.) Nothing relative to the junction in this Act contained shall be deemed to authorise the Company for the purposes of the junction to take or enter upon any lands belonging to or used or occupied by the railway company, or to alter or interfere with any railway or any of the works of the railway company further or otherwise than is

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necessary for making the junction and intercommunication as is herein-after enacted with reference thereto, without the previous consent in writing of the railway company:

(4.) The railway company may from time to time erect such signals and conveniences incident to the junction, either on their own lands or on the lands of the Company, and may from time to time appoint and remove such watchmen, switchmen, or other persons as may be necessary for the prevention of danger to or interference with the traffic at or near the junction; the working and management of such signals and conveniences, wherever situate, shall be under the exclusive regulation of the railway company, and all the expenses of erecting and maintaining those signals and conveniences, and of employing those watchmen, switchmen, and other persons, and all incidental current expenses, shall, at the end of every half year, be repaid by the Company, and in default thereof may be recovered from them in any court of competent jurisdiction:

(5.) In the user of the said sidings the Company shall observe, perform, and be bound by the byelaws, rules, and regulations of the railway company for the time being in force for the government and use of private railways and sidings connected with the railways of the railway company.

Period for completion of siding.

58. If the siding by this Act authorised is not completed within five years from the passing of this Act, then on the expiration of that period the powers by this Act granted to the Company for making and completing the same, or otherwise in relation thereto, shall cease to be exercised, except as to so much thereof as is then completed.

Power to take lands.

59. Subject to the provisions of this Act, the Company may enter upon, take, hold, and use all or any of the lands and hereditaments shown on the deposited plans and described in the deposited book of reference.

Correction of errors as to lands.

60. If any omission, mis-statement, or wrong description of any land, or of any owner, lessee, or occupier of any lands, described in or intended or purporting to be described in the deposited plans and book of reference be discovered, the following provisions shall have effect; (that is to say,)

The Company may apply to two justices for the correction thereof, giving ten days notice in writing to the owners,

lessees, and occupiers of the lands affected by the proposed correction:

If it appears to such justices that the omission, mis-statement, or wrong description arose from mistake, they shall certify the same, stating in the certificate the particulars of the omission, mis-statement, or wrong description:

The certificate shall be deposited with the clerk of the peace for the county of Lancaster, who shall safely keep the same in like manner and subject to the like regulations as the deposited plans and book of reference:

Thereupon the deposited plans and book of reference shall be deemed to be corrected according to the certificate, and the Company may enter on, take, and use the lands for the several purposes to which they are appropriated by this Act in accordance with the certificate as if there had not been any omission, mis-statement, or wrong description:

A copy of or an extract from such certificate, purporting to be under the hand of the clerk of the peace aforesaid, (which copy or extract he shall give when required under his hand to any person interested,) shall be conclusive evidence of such correction.

Period for the compulsory purchase of lands.

61. The powers of the Company for the compulsory purchase of lands for the purposes of this Act shall not be exercised after the expiration of three years from the passing of this Act.

Power as to construction and maintenance of gasworks, &c.

62. Subject to the provisions of this Act, the Company may from time to time maintain, alter, improve, enlarge, extend, and renew or discontinue their existing gasworks upon the lands on which the same are erected, or any part thereof, and which are described in Part I. of the schedule to this Act, and also upon the other lands described in Part II. of such schedule, and they may also erect, lay down, provide, and from time to time maintain, alter, improve, enlarge, extend, and renew or discontinue additional and other gasworks, retorts, gasholders, receivers, drains, sewers, mains, pipes, meters, lamps, lamp-posts, burners, stopcocks, regulators, machinery, and other works and apparatus and conveniences, and may do all such acts as they may think proper for making and storing gas, and for supplying gas within the limits of this Act, and may make, store, and supply gas accordingly, and may manufacture, store, sell, provide, supply, and deal in coke, tar, pitch, asphaltum, ammoniacal liquor, and all other products or residuum of any materials employed in or resulting from the manufacture of gas, and also meters, fittings, tubes, pipes, and other articles and things in any way connected with gasworks or with the supply

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of gas, as they may from time to time think fit, and may also from time to time erect, fit up, maintain, and let houses, cottages, and dwellings for the officers and servants employed by the Company for the purposes of their undertaking: Provided, that in laying down and maintaining any plant for or executing any works under or in exercise of the powers conferred by this Act for or with respect to the supply of gas across, alongside of, or in any way affecting any railway, railway station, lands, or property now or hereafter belonging or leased to, or worked, used, or occupied by the London and North-western Railway Company, or any of the bridges or works of any such railway, the same shall be done under the superintendence and to the reasonable satisfaction of their engineer and according to plans to be submitted to and approved by him before any such works are commenced, and such works shall be executed by and in all things at the expense of the Company, and so as not to cause any injury to any such railway, bridges, works, lands, or property, or interruption to the passage or conduct of the traffic over any such railway, and if any such injury or interruption shall arise the Company shall make full compensation to that company in respect thereof.

Power to supply gas fittings, &c. for heating and other purposes.

63. The Company, as they from time to time think fit, may manufacture, purchase, provide, supply, sell, let for hire, use, and otherwise deal in gas and other fittings, engines, stoves, ranges, pipes, and other apparatus and appliances for lighting, for motive power, for the warming and ventilating of houses and buildings, the cooking of food, and for all other purposes for which gas can or may be used; any such letting for hire may be for such remuneration in money and on such terms with respect to the repair of the articles and fittings let, and for securing the safety and return to the Company of such articles and fittings, and otherwise, as may be agreed upon between the hirer and the Company.

Power to take licenses.

64. Subject to the provisions of this Act, the Company may (but only for the purposes of the Company within their limits of gas supply, and not so as to acquire an exclusive right therein) contract for, take, and use any leave, license, or authority to work, use, exercise, or put in practice any invention under any letters patent heretofore made or hereafter to be made granting any right or privilege of working, using, or vending any invention in relation to the manufacture or distribution of gas, or the conversion, manufacture, or utilisation of the products obtained from the manufacture of gas or the materials used therein, or in relation to the manufacture of meters and other gas fittings and apparatus in which the Company are authorised in any way to deal, or in

relation to the lighting and extinguishing of gas by electricity or other means.

Power to purchase lands by agreement. Gas not to be manufactured except on lands scheduled.

65. The Company may, for the purposes of their undertaking, purchase, take, and hold (by agreement, but not otherwise), in addition to the lands described in the schedule to this Act, any lands and hereditaments, not exceeding in the whole five acres, which the Company may from time to time require for the purposes of their works and undertaking, and they may, by agreement, acquire and hold any grant of any easement, right, or privilege in, over, or belonging to any lands for the purpose of laying down and maintaining any mains and pipes. The lands purchased by the Company under the authority of this section shall be used only for the purposes of the undertaking, but no lands shall be used by the Company for the purpose of manufacturing gas or residual products except the lands described in the schedule to this Act.

Power to lay pipes against buildings

66. The Company, with the consent of the owner and occupier of any building, may lay any pipe, branch, or any other necessary apparatus from any main or branch pipe into, through, or against such building for the purpose of lighting it, and may, with the like consent, provide and set up any apparatus necessary for securing to such building a proper and complete supply of gas, and for measuring and ascertaining the extent of such supply, and may from time to time, with the like consent, repair, replace, alter, discontinue, and remove any such pipe, branch, or apparatus.

Pressure of gas.

67. All gas supplied by the Company to any consumer of gas shall be supplied at such pressure as to balance a column of water from midnight to sunset not less than six tenths of an inch, and from sunset to midnight not less than eight tenths of an inch in height at the main, as near as may be to the junction therewith of the service pipe supplying such consumer; and any gas examiner appointed under the Gasworks Clauses Act, 1871, may, subject to the terms of his appointment, from time to time test the pressure at which the gas is supplied, and may for that purpose open any street, road, passage, or place, not being the immediate approach to any railway bridge or railway station, vested in or under the control of any local or road authority; and the provisions of the Gasworks Clauses Act, 1871, with reference to testing of gas and to penalties, shall, mutatis mutandis, apply to such testing of pressure, and two hours previous notice shall be given to the Company of the time and place at which such testing shall be conducted.

Quality of gas.

68. The prescribed number of candles shall be fourteen.

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Testing place.

69. Within six months after the passing of this Act a testing place shall be provided at some part of the existing works, and that or some other testing place provided for the purpose within the gasworks for the time being of the Company shall be the prescribed testing place.

Burner.

70. The prescribed burner shall be Sugg's London Argand Burner, Number One, with a six-inch by one-and-three-quarter-inch glass chimney, but if at any time and so long as the gas flame rises above or tails over the top of that glass a six-inch by two-inch chimney shall be used, or any other burner and chimney approved for this purpose by the Board of Trade.

Security for payment of gas rents.

71. Any person having or requesting to have a supply of gas from the Company shall, if and when so required by the Company, and before he is entitled to have any service pipes or meter provided and fixed or to have a supply or further supply of gas, give the Company such security for the payment of one year's rent or charge for gas or meter to be supplied to him as he and the Company may agree upon, or as, in default of agreement, shall be determined in the manner provided by the Gasworks Clauses Act, 1871, and the Company shall be liable to a penalty not exceeding five pounds if they shall discontinue the supply of gas to any person then having a supply unless such person shall have failed for seven days after the same shall have been demanded by the Company to give them such security.

Company to pay interest on money deposited as security.

72. If any person is required by the Company to give to them security as herein-before mentioned, the Company shall, in the event of the security being a sum of money deposited with the Company, pay interest after the rate of five pounds per centum per annum on every sum of ten shillings deposited by way of such security during such time as the said money shall be so deposited, and such interest shall be payable yearly, subject, however, to the right of the Company to set off against the same any money due to the Company from such person.

Contracts for supplying gas for public purposes.

73. The Company may enter into and carry into effect contracts with any urban or rural sanitary authority or other local authority, and the trustees of any turnpike or other road, or any highway board, highway authority, or any surveyors of any highway, or any railway company, or any other companies, bodies, or persons, for the supply of gas by the Company for public purposes within the limits of this Act, for any period not exceeding under any one such contract seven years, and may vary, suspend, or rescind any such contract and enter into and carry into effect other contracts in lieu thereof or in addition thereto.

Contracts not to disqualify for office of director.

74. Any contract to be made by the Company under this Act with any board, public authority, or company shall not disqualify any of the members of any such board, public body, or company for the office of director, but no director being a member of any such board, public body, or company shall vote on any question as to any contract with such board, public body, or company.

Notice to Company to discontinue supply.

75. No notice to the Company to discontinue the use of any gas supplied by them shall be of any effect unless it be in writing and be left at the principal office for the time being of the Company.

Liability to gas rent, &c. not to disqualify justices, &c. from acting.

76. No justice of the peace or judge of any county court or quarter sessions shall be disqualified from acting in the execution of this Act by reason of his being a creditor of the Company or by reason of his being liable to the payment of any gas rent, meter rent, rate, or other charge under this Act.

Application of penalties.

77. Every penalty imposed by this Act shall (except where otherwise expressly provided, and except where the Company shall be the party by whom the penalty has to be paid) be paid to the Company.

Expenses of Act.

78. 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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SCHEDULE referred to in the foregoing Act.

PART I.—Lands now belonging to the Company.

Certain lands situate at Morecambe whereon the gasworks of the Company are erected, containing one acre, one rood, and thirty perches, or thereabouts, bounded on the north by lands belonging or reputed to belong to John Turner, by a back passage behind Sun Street, and by a school, lands, and yard belonging or reputed to belong to the Poulton School Board; on the east by the same lands and by Moss Lane; on the south by land and a footpath belonging or reputed to belong to the Midland Railway Company; and on the west by other land belonging or reputed to belong to the same company, by Market Street, and by land belonging or reputed to belong to John Turner.

PART II.—Lands to be acquired by the Company.

(1.) A certain close of land belonging or reputed to belong to Christopher Thornton Clark, in the occupation of Jane and Thomas Blacow, situate in the township of Poulton Bare and Torrisholme, containing by estimation four acres two roods, and thirty-eight perches, statute measure, or thereabouts, bounded on the north by a road leading from Morecambe to Bare; on the south by the highway from Lancaster to Morecambe, by land belonging or reputed to belong to the Vicar of Lancaster, and by the close of land thirdly herein-after described; on the east by other land belonging or reputed to belong to the said Christopher Thornton Clark and by other land belonging or reputed to belong to the said Vicar; and on the west by the close of land secondly herein-after described, by a close of land belonging or reputed to belong to Joseph Knipe, by a close of land belonging or reputed to belong to Thomas Woodhouse, by a close of land belonging or reputed to belong to Mary Teaby, and by a close of land belonging or reputed to belong to the Society of Oddfellows.

(2.) A certain close of land belonging or reputed to belong to Mary Wilson, in the occupation of William Beesley, containing two roods and eighteen perches, statute measure, or thereabouts, adjoining on the east to the close of land firstly in this part of this schedule described, and otherwise bounded on the north-west by the said close belonging or reputed to belong to the Society of Oddfellows, on the south by the said close belonging or reputed to belong to Mary Teaby, and on the west by a close of land belonging or reputed to belong to William Baxter and by a close of land belonging or reputed to belong to the Trustees of Poulton School.

(3.) A certain close of land belonging or reputed to belong to Mary Wilson, in the occupation of William Mayor, containing one rood and thirty perches, statute measure, or thereabouts, bounded on the north by the said close firstly described, on the north-west by a close of land belonging or reputed to belong to Joseph Knipe, on the west and south by the highway leading from Lancaster to Morecambe, and on the east by the said close firstly described.

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