CHAPTER cxii.

An Act for effecting an Arrangement between the Neath and Brecon Railway Company and their Creditors; and for other purposes. [3d July 1879.]

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WHEREAS by the Neath and Brecon Railway (Amalgamation and Arrangement) Act, 1869, (in this Act referred to as "the Act of 1869,") the Neath and Brecon Railway Company (in this Act called "the Company") were authorised to create and issue debenture stocks of four classes, to be called A, B, C, and D Debenture Stocks respectively, to be charged upon the entire undertaking, prior to all shares or stock of the Company, and to be subject to the conditions and to have the priorities, and to be applied to the purposes in that Act mentioned: 32 & 33 Vict. c. cxlv.

And whereas by the Neath and Brecon Railway Act, 1872, (in this Act called "the Act of 1872,") the Company were authorised to issue certain additional amounts of C and D Debenture Stock to be applied to the purposes declared of and concerning such stocks respectively by the Act of 1869, and the purposes to which the A Debenture Stock were to be applied under the Act of 1869 were in certain respects altered and varied: 35 & 36 Vict. c. lv.

And whereas by an order made in the High Court of Chancery on the first day of August one thousand eight hundred and seventy-four, by the Vice-Chancellor Sir Richard Malins, in a suit in which William McAndrew and Alexander Young, on behalf of themselves and all other the holders of the A Debenture Stock of the Company created under the Act of 1869 and the Act of 1872 respectively, were plaintiffs and the Company were defendants, it was ordered that the plaintiff Alexander Young should be appointed to receive the rates, tolls, and sums of money arising from or out of the entire undertaking of and all other income of the Company; and it was further ordered that the said plaintiff Alexander Young should be at liberty to advance or to procure to be advanced and expended upon the lines of railway of the Company, and upon the security of

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the rates, tolls, and income aforesaid, certain sums of money as therein specified, such sums to be expended upon the Company's undertaking for the purpose of putting the same in a thoroughly efficient condition for the development and economical working of the traffic thereon:

And whereas the said Alexander Young, in pursuance of the said order, and under the authority of the High Court of Chancery, has, from and after the making of the said order, received the rates, tolls, and sums of money arising from or out of the entire undertaking of and all other income of the Company, and in pursuance of the said order and of another order made in the said suit dated the ninth day of June one thousand eight hundred and seventy-five, and of a further order dated the twenty-seventh day of June one thousand eight hundred and seventy-seven, the said Alexander Young has procured to be advanced upon the security of the rates, tolls, and income aforesaid sums of money amounting in the whole to eighty-five thousand pounds, or thereabouts, and has expended all such sums upon the lines and for the purposes of the railway, including a sum of twenty thousand five hundred and forty-five pounds paid by him to the Midland Railway Company under an agreement with the said Company, sanctioned by order of the said Vice-Chancellor, bearing date the twenty-seventh day of June one thousand eight hundred and seventy-seven:

And whereas a scheme of arrangement between the Company and their creditors, dated the first day of August one thousand eight hundred and seventy-seven, was prepared by the directors of the Company in exercise of the powers in that behalf given to them by the Railway Companies Act, 1867, and the said scheme was filed in the Chancery Division of the High Court of Justice, and the same was afterwards amended, and as amended was confirmed by an order made by the said Vice-Chancellor on the sixteenth day of March one thousand eight hundred and seventy-eight, and a copy of the same as amended and confirmed is set forth in the First Schedule to this Act annexed:

30 & 31 Vict. c. 127.

And whereas by the said scheme, after reciting, among other things, that the Company were unable to meet their engagements, provision was made for the issue of a new First Debenture Stock to be charged on the undertaking of the Company prior to all existing debenture stocks, and for the application of the moneys to be raised thereby, and also for a further issue of A Debenture Stock to be applied in manner therein specified, and also for the reduction of the interest on the A, B, C, and D Debenture Stocks and the preference shares of the Company when and so soon as

eighty-five thousand pounds of the said new First Debenture Stock has been subscribed for and issued, and also for the application of the income of the Company:

And whereas notice was given on the part of certain holders of unpaid debentures charged upon the property and undertaking of the Company that the Court of Appeal would be moved to reverse or vary the order of the said Vice-Chancellor confirming the said scheme, and that the said scheme be not confirmed:

And whereas the said appeal came on for hearing on the thirteenth day of December one thousand eight hundred and seventy-eight, and by order of the said Court of Appeal the said appeal was dismissed with costs:

And whereas by reason of the delay consequent on such appeal further obligations have been incurred by the Company, and for these and other purposes additional capital is required:

And whereas, at a general meeting of the Company specially convened for the purpose, the holders of the debenture stocks and preference shares present in person and by proxy at such meeting consented to the promotion of the Bill for this Act, and the holders of upwards of three-fourths of the amount of each class of debenture stock and of a large proportion of the preference shares have subsequently consented in writing to the First Debenture Stock and the A Debenture Stock being respectively increased to the sums in this Act specified:

And whereas it is expedient that the powers conferred on the Company by the said scheme should be enlarged as in this Act provided for:

And whereas it is expedient that all suits, actions, executions, attachments, and other proceedings against the Company and their undertaking should be stayed during the period herein-after defined, and subject to the provisions herein-after contained:

And whereas a memorandum of agreement, dated the sixth day of December one thousand eight hundred and seventy-seven, was entered into between the Great Western Railway Company of the one part and the Company of the other part, which agreement is set forth in the Second Schedule to this Act annexed, and is in this Act referred to as "the agreement with the Great Western Company," and it is expedient that such agreement should be by this Act confirmed:

And whereas it is expedient to provide for the user by the Company of certain portions of railway near Neath, subject to such terms and conditions as are herein-after mentioned in that behalf:

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And whereas the objects aforesaid 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; (that is to say,)

Short title.

1. This Act may be cited for all purposes as the Neath and Brecon Railway Act, 1879.

Confirmation and modification of scheme of arrangement.

2. From and after the passing of this Act, the scheme of arrangement, dated the first day of August one thousand eight hundred and seventy-seven, herein-before recited and set forth as amended and confirmed in the First Schedule to this Act annexed, shall be and the same is hereby confirmed and made binding on all parties, with the modifications following; (that is to say,)

(1.) The First Debenture Stock authorised by the scheme may amount to but shall not exceed one hundred and fifteen thousand pounds;

(2.) The A Debenture Stock, including the further amount authorised by the scheme and the A Debenture Stock already raised or authorised to be raised, may amount to but shall not exceed three hundred thousand pounds;

and the scheme shall be read and construed as though the limits to the amounts of the said First Debenture Stock and A Debenture Stock respectively thereby prescribed had been the limits herein-before mentioned.

Reduction of interest and dividend on debenture stocks and preference shares.

3. When and so soon as eighty-five thousand pounds of the First Debenture Stock by the said scheme and this Act authorised has been subscribed and issued, the rates of interest and dividend on the debenture stocks and preference shares of the Company shall be reduced, and the Act of 1869 shall be read and have effect as if the rate of interest on A Debenture Stock by that Act fixed at a rate not exceeding six per centum per annum, had been fixed at the rate of four per centum per annum, and as if the rates of interest on the B, C, and D Debenture Stocks, and the dividend on preference shares, by the same Act fixed at five per centum per annum, had been fixed at three per centum per annum on the B and C Debenture Stocks and at one-and-a-half per centum per annum on the D Debenture Stock and preference shares, and the said debenture stocks and preference shares, whether issued before or after the passing of this Act, shall bear interest and dividend at the aforesaid reduced rates only.

Application of additional first debenture stock.

4. The First Debenture Stock authorised by this Act in addition to the First Debenture Stock authorised by the said scheme, or the moneys to be raised by the issue thereof, shall be applied to the purposes specified by the said scheme as purposes to which the said First Debenture Stock, or the moneys arising by the issue thereof, should be applied, and also to putting the undertaking of the Company in an efficient condition for the development and economical working of the traffic thereon.

Application of additional A Debenture Stock.

5. The A Debenture Stock authorised by this Act in addition to the A Debenture Stock authorised by the said scheme shall be issued at par, and applied in satisfaction pari passu of the following claims; (that is to say,)

The arrears of interest on the A Debenture Stock since the thirty-first day of December one thousand eight hundred and seventy-seven, and which may accrue due from time to time after the passing of this Act during the continuance of the suspense period, and which the Company may at such times be unable to discharge out of the moneys applicable thereto under the provisions of the said scheme or this Act;

and the persons whose claims are provided for as aforesaid shall not, except by accepting such provisions in full satisfaction and discharge of all such claims, be entitled to receive in respect thereof any money hereafter payable by way of interest on A Debenture Stock.

Certificates of stock and shares to be called in.

6. When and so soon as the said sum of eighty-five thousand pounds of the First Debenture Stock has been subscribed and issued no interest or dividend upon any debenture stock or preference share issued before the passing of this Act shall be paid to any holder of the same until the certificate of such debenture stock or preference share has been delivered to the Company to be cancelled, and upon such delivery the secretary of the Company shall accept and cancel the same, and shall deliver a new certificate to such holder in respect of such stock or share, stating the interest payable in respect thereof under the provisions of this Act.

Until the Company issue to the holder of any such debenture stock or preference share a certificate under this Act in respect of such debenture stock or preference share, the original certificate of such debenture stock or preference share shall be available as proof of the ownership of such debenture stock or preference share appropriated and vested under the provisions of this Act.

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All certificates of debenture stock issued after the passing of this Act shall state the interest payable in respect thereof under the provisions of this Act.

Certificates of debenture stocks and preference shares to be issued in exchange for existing certificates.

7. The Company shall call in the certificates of the existing debenture stock and preference shares, and shall from time to time issue to the holders of such debenture stock and preference shares certificates of debenture stock and preference shares as by this Act provided; but the Company shall not be bound to issue any such certificates unless and until the holders of the debenture stock and preference shares deliver to the board to be cancelled or prove to their satisfaction the loss of the certificates of debenture stock or preference shares in respect of which the new certificates are to be issued.

Existing certificates may be called in by advertisement.

8. The certificates of the existing debenture stocks and preference shares of the Company may be called in by advertisement published once in each of two successive weeks in the London Gazette, and in a London daily newspaper, and in some newspaper published in the county of Glamorgan.

Powers to trustees and others.

9. It shall be lawful for all trustees, executors, and administrators, assignees in bankruptcy, trustees and inspectors under deeds of arrangement or composition, liquidators of companies, and corporations holding or being entitled to or interested in any debenture stock or preference shares, upon any trust or otherwise, and for the guardians and committees respectively of any infants or lunatics who may hold or be entitled to or interested in any debenture stock or preference shares, to accept and signify their willingness to accept any offer of debenture stock or preference shares made to them under the provisions of this Act.

Stay of proceedings.

10. Save as is by this Act otherwise provided, from and after the passing of this Act no action, suit, execution, attachment, or other proceeding against the Company or affecting the property thereof, except proceedings against the Company as carriers of goods or passengers, or in respect of liabilities contracted after the passing of this Act, shall be continued or commenced during a period of five years from the passing of this Act, in this Act referred to as "the suspense period": Provided always, that the Chancery Division of the High Court of Justice may, on motion and upon proof of special circumstances which, in the opinion of the said Court, may render it fit that any such action, suit, execution, attachment, or other proceeding should be continued or commenced during the suspense period, give leave to that effect, but subject to such terms, if any, as the said court

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may think fit to impose; provided also, that the costs of any actions, suits, executions, attachments, or other proceedings against the Company or affecting the property thereof, which may be discontinued pursuant to this clause, shall be in the discretion of the said court, and may be dealt with on a motion made to the court, and if allowed shall be added to the debt; provided also, that during the suspense period the operation of the statutes for the limitation of actions shall be suspended, and that every cause of action or suit, and every right to issue execution, attachment, or to take any other proceedings stayed by virtue of this Act during such period shall, at the expiration of such period, be in the same plight in every respect as if such period had not intervened.

Confirming agreement with Great Western Company.

11. The agreement with the Great Western Company set forth in the Second Schedule to this Act annexed is hereby confirmed and made binding on the Company and the Great Western Railway Company respectively, and upon their respective successors and assigns, and full effect may and shall be given thereto accordingly.

Running powers.

12. The Company and all other companies and persons using the railway may work and run over and use with their engines, carriages, and waggons, and with their servants, for the purposes of traffic of every description passing to and from the harbour at Neath—

37 & 38 Vict. c. cxlv.

The railway or tramway authorised by the Neath Harbour Act, 1874, leading from the Swansea and Neath Line of the Great Western Railway Company to the port and harbour of Neath,

together with all sidings, cranes, shipping and landing places, machinery, buildings, and conveniences connected with such railway or tramway, on such terms and conditions and on payment of such tolls, rates, and charges as may be agreed upon between the Company and the Neath Harbour Commissioners, or failing such agreement, as may be settled by arbitration in the manner provided by the Railway Companies Arbitration Act, 1859, and for such purpose the said Commissioners shall be deemed to be a railway company.

22 & 23 Vict. c. 59.

Deposit for future Bills not to be paid out of capital.

13. The Company shall not, out of any money by this Act authorised to be raised, pay or deposit any sum of money which, by any standing order of either House of Parliament now in force or hereafter to be 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 other railway or execute any other work or undertaking.

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Railway not exempt from provisions of present or future general railway Acts.

14. Nothing in this Act contained shall exempt the railway or the Company from the provisions of any general Act relating to railways, or to 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.

Expenses of Act.

15. All costs, charges, and expenses of and incident to the preparing for, obtaining, and passing of this Act, or otherwise in relation thereto, shall be paid by the Company out of the proceeds of the First Debenture Stock hereby authorised in priority to all other claims.

SCHEDULES referred to in the foregoing Act. A.D. 1879.

THE FIRST SCHEDULE.

In the matter of the Railway Companies Act, 1867,

and

In the matter of the Neath and Brecon Railway Company.

A Scheme of Arrangement between the Neath and Brecon Railway Company, having their principal office at No. 17, Tokenhouse Yard, in the city of London, and their creditors, prepared by the Directors in exercise of their powers and in pursuance of the provisions of the Railway Companies Act, 1867.

Whereas at the date of the passing of the Act of 1869 herein-after mentioned the Neath and Brecon Railway Company (herein-after called "the Company") were a railway company incorporated and regulated by divers Acts of Parliament; viz., the Dulas Valley Mineral Railway Act, 1862, the Neath and Brecon Railway Act, 1863, the Neath and Brecon Railway Act, 1864, the Neath and Brecon Railway Act, 1866, and the Neath and Brecon Railway (Additional Powers) Act, 1867, and by such Acts of Parliament the Company were authorised to construct and carry on divers railways, works, and undertakings: And whereas by the said Neath and Brecon Railway Act, 1864, the Company were authorised to construct a railway in the said Act described, and herein-after referred to as the Llangammarch Branch, which said railway has never been completed and forms no part of the railways worked by the Company, but in respect of which railway, and of notices and proceedings served and taken thereunder, certain claims are still outstanding: And whereas by the Neath and Brecon Railway (Amalgamation and Arrangement) Act, 1869, herein referred to as "the Act of 1869," the Company were authorised to create and issue debenture stocks of four classes, to be called A, B, C, and D Debenture Stocks respectively, to be charged upon the entire undertaking prior to all shares or stock of the Company, and to be subject to the conditions, and to have the priorities, and to be applied for the purposes in that Act mentioned: And whereas it was, by the Act of 1869, among other things, provided that the amount of A Debenture Stock should not exceed 225,000*l.*, and should bear interest at 6*l.* per cent. per annum, that the amount

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of B Debenture Stock should not exceed 300,000*l.*, the amount of C Debenture Stock 450,000*l.*, and the amount of D Debenture Stock 100,000*l.*, and that the said B, C, and D Debenture Stocks should respectively bear interest at 5*l.* per cent. per annum, and that the A Debenture Stock should have priority over B, B over C, and C over D. And it was by the same Act enacted (sec. 21) that the B Debenture Stock should be subdivided into the following classes, which, subject to the A Debenture Stock, should be entitled to the priorities and be applied for the purposes following; (that was to say,) (1.) (Dulas Valley and Brecon, 1863.) B Debenture Stock, not exceeding 155,000*l.*, should be issued to the holders of debentures issued under the said Dulas Act, 1862, (therein called the Dulas Act of 1862,) and the said Neath and Brecon Railway Act, 1863, (therein called the Brecon Act of 1863,) in substitution for equal amounts of the last-mentioned debentures. (2.) (Junction, 1864.) B Debenture Stock, not exceeding 25,000*l.*, should be issued to the holders of debentures issued under the Swansea Vale and Neath and Brecon Junction Railway Act, 1864, (therein and herein-after called the Junction Act of 1864,) in substitution for equal amounts of the last-mentioned debentures. (3.) (Brecon, 1864.) B Debenture Stock, not exceeding 70,000*l.*, should be issued to the holders of debentures issued under the said Neath and Brecon Railway Act, 1864, (therein called the Brecon Act of 1864,) in substitution for equal amounts of the last-mentioned debentures. (4.) (Brecon, 1866.) B Debenture Stock, not exceeding 50,000*l.*, should be issued to the holders of debentures issued under the said Neath and Brecon Railway Act, 1866, (therein called the Brecon Act of 1866,) in substitution for the last-mentioned debentures: Provided always, that the certificates of the B Debenture Stock should indicate the class of such stock and the debentures which the same should represent. And it was also enacted (sec. 23) that the C Debenture Stock should be issued at par in substitution for equal amounts of the following; (that was to say,) (A.) The registered Lloyd's bonds issued by the Swansea Vale and Neath and Brecon Junction Railway Company and the Company (therein called the two companies); (B.) The general debts of the two companies, including the balance of legal, parliamentary, and engineering costs, charges, and expenses not therein otherwise provided for; (C.) The shares of the said Swansea Vale and Neath and Brecon Junction Railway Company (therein and herein-after called the Junction Company) which had been issued. And it was by the said Act provided (sec. 47) that any deficiency in the income of any one year to satisfy any of the purposes aforesaid should not, except as to the interest on the A Debenture Stock, be made good out of the income of any subsequent year or years: And whereas by the same Act the Company were authorised to create and issue preference shares or stock of one class with a fixed preferential perpetual dividend of 5*l.* per cent. per annum, to rank in priority upon the entire undertaking next after the interest on the debenture stock of the Company, such preference shares or stock not to exceed 150,000*l.*: And whereas by the Neath and Brecon Railway Act, 1872, (herein-after called "the Act of 1872,") the Company were authorised to issue certain additional amounts of C and D Debenture Stock, to be applied to the purposes declared of and concerning such stocks respectively by the Act of 1869, and the purposes to which the A Debenture Stock was to be applied under the Act of 1869 were in certain respects altered and varied:

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And whereas by an order made in the High Court of Chancery on the 1st day of August 1874, by his Lordship Vice-Chancellor Sir Richard Malins, in a suit in which William McAndrew and Alexander Young, on behalf of themselves and all other the holders of the A Debenture Stock of the Company created under the Act of 1869 and the Act of 1872 respectively, were plaintiffs, and the Company were defendants, it was ordered that the plaintiff Alexander Young should be appointed to receive the rates, tolls, and sums of money arising from or out of the entire undertaking, and all other income of the Company. And it was further ordered that the said Alexander Young should be at liberty to advance or procure to be advanced and expended upon the lines of railway of the Company, and upon the security of the rates, tolls, and income aforesaid, sums of money, not exceeding in the whole 35,000*l.*, such sums to be expended upon the Company's undertaking for the purpose of putting the same in a thoroughly efficient condition for the development and economical working of the traffic thereon: And whereas by another order in the said suit, dated the 9th day of June 1875, it was ordered that the said Alexander Young should be at liberty to make or procure to be made further advances for the purposes of the undertaking of the Company in excess of the sum of 35,000*l.* mentioned in the said order of the 1st August 1874, to the extent of 15,000*l.*, and upon the same security as was by the said order provided in reference to the said sum of 35,000*l.*, but the total of such advances, including those already authorised, was not to exceed 50,000*l.*: And whereas the said Alexander Young, in pursuance of the said order of the 1st day of August 1874, has, from and after the making of the said order, received the rates, tolls, and sums of money arising from or out of the entire undertaking, and all other income of the Company, and is discharging the current outgoings of the said undertaking, and in pursuance of the said orders of the 1st day of August 1874 and the 9th day of June 1875 respectively the said Alexander Young has procured to be advanced and expended upon the lines of the railway of the Company, and upon the security of the rates, tolls, and income aforesaid, sums of money amounting in the whole to 50,000*l.* or thereabouts, and is continuing from day to day to receive and pay such moneys as aforesaid as such receiver: And whereas by a memorandum of agreement, dated the 29th day of June 1877, made between the Company of the one part and the Midland Railway Company (therein-after called the Midland Company) of the other part, it was, amongst other things, agreed (Clause 2) that the Company would, on the 1st day of July 1877, for the purposes of that agreement, hand over to the Midland Company possession of certain portions therein described of the line of the Company, together with all stations, sidings, yards, sheds, buildings, water-tanks, and other conveniences then held and used by the Company upon the said portions of railway which were therein-after referred to as "the worked line," with such reservation as therein mentioned; (Clause 3) that the Midland Company having required the Company, as a condition precedent to the said agreement, to provide for the expense of executing the several renewals and works specified in the Schedule thereto, the Company should, on the execution of the agreement now in recital, hand to the Midland Company a banker's undertaking to pay to the Midland Company the cost of such works,

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not exceeding the sum of 20,545*l.*, to be paid as therein mentioned; (Clause 4) the Midland Company should forthwith, after having such banker's undertaking, commence and with all convenient speed carry out the said works and renewals, at the prices mentioned in the said Schedule, to the reasonable satisfaction of the Company's engineer; (Clause 5) the Midland Company would, for the term of five years from the 1st day of July 1877, work and maintain the worked line, and accommodate the traffic thereon, in manner therein provided; (Clause 6) the Midland Company would, during the said term, bear and pay, in addition to the cost of maintenance, all rates, taxes, and other outgoings in respect of the worked line fairly chargeable to revenue according to the ordinary practice of railway companies, except rentcharges for land and income tax; (Clause 10) that the Midland Company should keep proper accounts of the receipts and payments in respect of the matters contained in that agreement, including therein certain particulars thereby specified; and (Clause 11) that the accounts should be made up and rendered monthly, and the amount standing to the credit of such account should be divided in the proportion of 30 per cent. to the Company and 70 per cent. to the Midland Company: And whereas the lastly herein-before recited agreement has been approved and confirmed at a special meeting of the proprietors of the Company, and has been sanctioned by the said Vice-Chancellor Sir Richard Malins in the said suit of McAndrew v. the Neath and Brecon Railway Company: And whereas, in pursuance of the 3rd clause of the said agreement, a banker's undertaking for the sum of 20,545*l.* has been obtained by the said Alexander Young, and handed by him to the Midland Company, and the amount thereof has to be provided by him in monthly payments, as moneys are expended by the Midland Company upon the said works and renewals: And whereas by an order in the said suit, dated the 27th day of June 1877, it was, amongst other things, ordered that, in accordance with a resolution passed at the said special meeting of proprietors, the said Alexander Young should be authorised to raise, in addition to the sums then already procured by him, such further sums of money as might be necessary to be expended upon the Company's undertaking, not exceeding in the whole, together with the sums already raised and expended, the aggregate sum of 85,000*l.*, and that such further sums should be secured, with the interest payable thereon, on the rates, tolls, and revenue of the Company's undertaking, and rank pari passu with the sums already procured by the said Alexander Young: And whereas the sum of 85,000*l.*, by the last-mentioned order authorised to be raised, includes the said sum of 20,545*l.*, and the greater part of such sum of 85,000*l.* has already been raised, and the residue is now required to be raised: And whereas there are now due from the Company to the owners of land upon which the railways of the Company now being worked have been constructed divers sums of money in respect of purchase and compensation moneys and costs in regard to such lands, and for executing accommodation works connected therewith, which sums of money amount to 7,000*l.* 0*s.* 0*d.* or thereabouts: And whereas it appears that upon the balance of accounts not yet adjusted the Company may be found to be indebted to divers other persons in respect of moneys due to them for work and labour done for or

materials supplied to or for the purposes of the Company, or otherwise in connexion with the working of the railways of the Company since the appointment of the receiver, which sums may amount in the aggregate to 5,009*l.* or thereabouts: And whereas the issued capital of the Company now consists of the following stocks and shares; (that is to say,)

	£	*s.*	*d.*
A Debenture Stock - - -	185,321*l.*	0*s.*	0*d.*
B Debenture Stock - - -	281,103*l.*	0*s.*	0*d.*
C Debenture Stock - - -	407,749*l.*	0*s.*	0*d.*
D Debenture Stock - - -	103,152*l.*	0*s.*	0*d.*
Preference Shares - - -	122,800*l.*	0*s.*	0*d.*
Ordinary Shares - - -	256,230*l.*	0*s.*	0*d.*

And whereas there are still outstanding and not yet exchanged for B Debenture Stock, as provided by the Act of 1869, debentures to the amount of 18,767*l.* 0*s.* 0*d.*; (that is to say,)

(1.) Debentures issued under the said Neath and Brecon Railway Act, 1863, 7,800*l.* 0s. 0*d.*:

(2.) Debentures issued under the said Junction Act of 1864, 3,567*l.* 0*s.* 0*d.*:

(3.) Debentures issued under the said Neath and Brecon Railway Act, 1864, 2,500*l.* 0*s.* 0*d.*:

(4.) Debentures issued under the said Neath and Brecon Railway Act, 1866, 4,900*l.* 0*s.* 0*d.*:

And whereas there are still outstanding and not yet exchanged for C Debenture Stock, as provided by the Act of 1869, the following Lloyd's bonds and liabilities; (that is to say,)

(*a.*) Lloyd's bonds issued by the said two companies to the amount of 19,300*l.* 0*s.* 0*d.*:

(*b.*) General debts not yet adjusted estimated to amount to 15,000*l.* or thereabouts:

(c.) 220 10*l.* shares of the Junction Company:

And whereas there is now due and payable in D Debenture Stock, under the Act of 1869, various sums for interest on debentures and Lloyd's bonds not yet exchanged as aforesaid, the sum of 6,999*l.*, or thereabouts: And whereas there is now due to the holders of A Debenture Stock for arrears of interest, down to the 30th June 1877, the sum of 32,582*l.* 2*s.* 9*d.*, and there will be a further sum of about 5,620*l.* payable for the half-year's interest due 31st December 1877, making a total of about 38,202*l.* 2*s.* 9*d.*: And whereas there are other claims, which were by the Acts of 1869 and 1872 made payable out of A Debenture Stock, part of which, to the amount of 1,737*l.* 0*s.* 0*d.* or thereabouts, have not yet been adjusted or provided for: And whereas Mr. G. W. Taylor, the solicitor of the Company, sometime since paid the sum of 2,287*l.* 13*s.* 11*d.*, to satisfy an undertaking given by him as agent for and on behalf of the Company with respect to the cancellation of an agreement by the Company for a lease to them of the undertaking of the Swansea Canal Navigation, which sum, with interest at 4 per cent. per annum, he now claims to be paid by the Company: And whereas the Company are unable to meet their engagements:

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Now, therefore, the directors have, in exercise of the power in this behalf given to them by the Railway Companies Act, 1867, prepared this scheme of arrangement between the Company and their creditors; (that is to say,)

1. When and so soon as 85,000*l.* of the First Debenture Stock proposed to be raised under the provisions of this scheme shall have been issued the rates of interest and dividend on the debenture stock and preference shares of the Company shall be reduced, and the Act of 1869 shall be read and have effect as if the rate of interest on A Debenture Stock, by that Act fixed at a rate not exceeding 6*l.* per cent. per annum, had been fixed at the rate of 4*l.* per centum per annum, and as if the rates of interest on the B, C, and D Debenture Stocks and the dividend on preference shares, by the same Act fixed at 5*l.* per cent. per annum had been fixed at 3*l.* per cent. per annum on the B and C Debenture Stocks and at 1*l.* 10*s.* per cent. per annum on the D Debenture Stock, and the preference shares and the said debenture stocks and preference shares, whether issued before or after this scheme shall take effect, shall bear interest and dividend at the aforesaid reduced rates only.

2. No interest upon any debenture stock or dividend on any preference share shall be paid to any holder of the same until the certificate of such debenture stock or preference share shall have endorsed thereupon a statement by the secretary of the Company to the effect that the interest or dividend originally payable in respect of the said stock or share has been reduced to the rate per annum by this scheme provided for. Such statement shall be endorsed by the said secretary upon presentation to him of any such certificate as aforesaid.

3. The Company shall create and issue such further amount of A Debenture Stock (to be deemed part of and to rank together with the existing A Debenture Stock of the Company), beyond the amount authorised by the Acts of 1869 and 1872, as shall, together with the amount of A Debenture Stock at present unissued under the existing powers of the Company, be required to raise the amounts hereafter authorised to be provided for out of A Debenture Stock, but so that the total amount of A Debenture Stock shall not in any event exceed 235,000*l.*

4. The A Debenture Stock now unissued, including the further amount herein-before authorised, shall be issued at par and applied in satisfaction, pari passu, of the following claims; (that is to say,)

(1.) The claims unprovided for as herein-before mentioned and made payable by the Acts of 1869 and 1872, and of A Debenture Stock, including such claim of the plaintiff in Morgan v. The Neath and Brecon Railway Company, 1877, M. No. 336, as he is or shall be held at the trial of that action entitled or bound to accept in A Debenture Stock having regard to the Acts of 1869 and 1872:

(2.) The amount claimed for principal and interest by Mr. G. W. Taylor:

(3.) The arrears of interest on the A Debenture Stock down to the 31st December 1877:

and the persons whose claims are provided for as aforesaid shall not, except by accepting such provision in full satisfaction and discharge of such claims, be

entitled to receive in respect thereof any money hereafter payable by way of interest on A Debenture Stock.

5. The Company may and shall, as and when required for the purposes of this scheme, create and issue a First Debenture Stock to be charged on the entire undertaking of the Company prior to all existing debenture stocks and to all shares or stock of the Company, and to be subject to the conditions hereinafter specified, but none of the said First Debenture Stock shall operate as a charge upon superfluous lands of the Company, or shall prejudicially affect any specific lien or charge or incumbrance on any such lands.

6. The provisions of Part III. of the Companies Clauses Act, 1863, so far as they are not hereby expressly varied, shall be applicable to the said First Debenture Stock as if the same had been now repeated and incorporated in this scheme.

7. The First Debenture Stock shall not exceed in amount 100,000*l.*, and shall be issued at par and bear interest at a rate not exceeding 4*l.* per cent. per annum.

8. The First Debenture Stock or the moneys to be raised by the issue thereof shall be applied to the following purposes; (that is to say,)

1. In payment of the costs, charges, and expenses of and incident to this scheme and the confirmation thereof:
2. In payment of the purchase moneys, compensation, and costs incurred or to be incurred in respect of lands purchased for the purposes of the undertaking of the Company other than the Llangammarch Branch, and for executing accommodation works connected with the said undertaking other than as aforesaid:
3. In payment of all the costs, charges, and expenses of and incidental to the suit of McAndrew and another against the Company, including the costs, charges, and expenses of the receiver:
4. In payment of all moneys which have been or may be advanced or procured to be advanced by the receiver under the authority of the court for putting the undertaking of the Company in a thoroughly efficient condition for the development and economical working of the traffic thereon, and paying off the charges upon the rolling stock or plant, or otherwise, with interest thereon:
5. In paying and discharging such of the said debts and liabilities of the Company incurred since the appointment of the receiver as aforesaid as have not been satisfied, and for the payment whereof no other provision is hereby made.

9. From and after the 31st day of December 1877 the income of the Company, including the moneys to be paid to the Company by the Midland Railway Company under the provisions of the said agreement of the 29th day of June 1877, shall be applied in the manner and with the priorities following; (that is to say,)

1. In payment of all working and incidental expenses, including due and proper maintenance of the permanent way, rolling stock, and station and other buildings, so far as such expenses are not to be borne by the

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Midland Railway Company under the provisions of the said agreement of the 29th day of June 1877;

2. In payment of all rates and tithes and of all annual rentcharges payable by the Company in pursuance of the 10th section of the Lands Clauses Consolidation Act, 1845, or of the Lands Clauses Consolidation Acts Amendment Act, 1860;
3. In payment of interest and dividends, as provided by the Act of 1869, until 85,000*l.* of the First Debenture Stock shall be issued, and thereafter in payment of interest as follows; (that is to say,)
4. In payment of 4*l.* per cent. interest on the First Debenture Stock;
5. In payment of 4*l.* per cent. interest on the A Debenture Stock;
6. In payment of 3*l.* per cent. interest on the B Debenture Stock;
7. In payment of 3*l.* per cent. interest on the C Debenture Stock;
8. In payment of 1*l.* 10*s.* per cent. interest on the D Debenture Stock;
9. In payment of 1*l.* 10*s.* per cent. dividend on the preference shares or stock of the Company; and
10. In payment of a dividend on the ordinary shares or stock of the Company: Provided that any deficiency in the income of any one year to satisfy any of the purposes aforesaid shall not, except as to the interest on the First Debenture Stock and on the A Debenture Stock, be made good out of the income of any subsequent year or years.

10. This scheme shall, until the same shall have been duly confirmed by the court, be altered or varied as the judge may determine.

11. Nothing in this scheme contained shall in any way prejudice or affect the rights of the Midland Railway Company under the said agreement of the 29th day of June 1877.

In witness whereof the common seal of the Company is hereunto affixed by order of the board of directors, this 1st day of August 1877.

A. Young,
Chairman.
J. E. Griffith,
Secretary.

Seal of the Neath and Brecon Railway Company.

THE SECOND SCHEDULE.

Agreement with Great Western Company.

Memorandum of Agreement, made and entered into the sixth day of December one thousand eight hundred and seventy-seven, between the Great Western Railway Company (herein-after called "the Great Western Company") of the one part, and the Neath and Brecon Railway Company (herein-after called "the Neath and Brecon Company") of the other part.

Whereby it has been mutually agreed as follows:

1. This agreement is contingent on the completion of the works in connexion with the river and harbour at Neath and of the Railway No. 1 to connect the port and harbour at Neath with existing lines of railway, which works and the said Railway No. 1 are described in and authorised by section thirty of the Neath Harbour Act, 1874, and this agreement shall commence on the day on which the said Railway No. 1 and the said works in connexion with the river and harbour at Neath are opened for public traffic, and shall continue thereafter in perpetuity.

2. From and after the day on which this agreement shall commence the Neath and Brecon Company shall have the right to work and run over and use, with their engines, carriages, and waggons, and with their servants, for the purposes of traffic of every description passing to and from the harbour at Neath—

(A.) So much of the Swansea and Neath Railway of the Great Western Company as is situate between the junction therewith of the Neath and Brecon Railway near Neath and the junction between the said Swansea and Neath Railway and the railway or tramway authorised by the Neath Harbour Act, 1874, to extend from the said Swansea and Neath Railway to the port and harbour of Neath, together with all sidings and conveniences connected with such portion of railway, on such terms and conditions and on payment of such tolls, rates, and charges, or of such rent or other consideration, as may from time to time be agreed upon or settled by arbitration in the manner herein-after provided.

3. The Company, in using or traversing the said portion of railway and in using the sidings and conveniences thereof, in accordance with the provisions herein-before contained, shall at all times observe the regulations and byelaws for the time being in force on the said portion of railway so used, so far as such byelaws shall be applicable to them.

4. The powers hereby conferred upon the Neath and Brecon Company, and any powers which may be conferred on them by the Neath Harbour Commis-

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sioners, shall not extend or be construed to extend to any railways, sidings, cranes, turntables, or other works or conveniences constructed by, belonging to, or appropriated to the use of the Great Western Company at or near the said port and harbour of Neath, other than the portion of the railway of the Great Western Company herein-before described.

5. If any difference shall arise between the Great Western Company and the Neath and Brecon Company as to the true intent and meaning of these presents, or as to any matters arising therefrom, such difference shall be determined by arbitration in the manner provided by the Railway Companies Arbitration Act, 1859.

6. This agreement shall be subject to confirmation by Parliament and to any alteration which Parliament in its wisdom may think fit to make herein.

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

G. Cottman,
Asst. Secy.

Seal of the Great Western Railway Company.

J. E. Griffith,
Secy.

Seal of the Neath and Brecon Railway Company.

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